

**BREED VALLEY MUNICIPALITY**  
**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2005**

	Note	2005 R	2004 R
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net Assets</b>		<b>144,172,249</b>	<b>139,901,217</b>
Housing Development Fund	1	3,610,580	21,532,854
Capital replacement reserve	2	17,608,667	20,000,000
Capitalisation reserve	2	44,238,414	51,431,047
Capital grants reserve	2	59,997,935	37,295,317
Self-insurance reserve	2	4,161,241	3,696,794
Unappropriated Surplus (Accumulated Deficit)		14,555,412	5,945,205
<b>Non-current liabilities</b>		<b>75,811,796</b>	<b>62,309,519</b>
Long-term liabilities	3	74,861,796	61,359,519
Non-current Provisions	4	950,000	950,000
<b>Current Liabilities</b>		<b>38,655,470</b>	<b>41,136,970</b>
Consumer deposits	5	2,170,714	2,444,273
Current Provisions	6	-	-
Creditors	7	26,307,167	27,321,347
Unspent conditional Grants and Receipts	8	7,265,355	7,997,007
Current portion of long-term liabilities	3	2,912,234	3,374,343
<b>Total Net Assets and liabilities</b>		<b>258,639,515</b>	<b>243,347,706</b>
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>197,941,926</b>	<b>164,091,452</b>
Property, Plant and Equipment	9	179,669,518	139,200,050
Investment Property	9	1,960,000	1,960,000
Investments	10	12,555,621	10,498,947
Long term receivables	11	3,756,787	12,432,455
<b>Current assets</b>		<b>60,697,589</b>	<b>79,256,254</b>
Inventory	12	3,409,707	3,362,955
Consumer debtors	13	16,037,154	29,316,995
Other debtors	14	3,524,150	6,995,733
Short-term portion of Investments	10	37,000,000	34,000,000
Current portion of long-term debtors	11	434,755	577,760
Bank and Cash	15	291,823	5,002,811
<b>Total Assets</b>		<b>258,639,515</b>	<b>243,347,706</b>

**BREEDE VALLEY MUNICIPALITY**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2005**

Budget	Budget		Actual	Actual	
2004	2005	Note	2005	2004	
R	R		R	R	
REVENUE					
35,884,167	49,000,000	Property rates	16	50,192,450	37,477,565
900,000	1,500,000	Property rates - penalties imposed and collection charges		1,396,882	1,820,789
134,400,386	138,977,031	Service charges	17	143,733,907	134,811,815
78,475,820	84,817,625	Electricity sales	17	88,134,253	80,751,233
14,298,610	13,795,800	Refuse removal	17	14,551,249	13,631,410
14,673,066	13,683,606	Sewerage fees	17	15,808,710	13,121,327
26,952,890	26,680,000	Water sales	17	25,239,695	27,307,845
3,989,587	5,116,253	Infrastructure / Site Rental		5,033,532	5,027,798
772,200	858,600	Rental of facilities and equipment		1,258,962	1,128,670
3,300,000	3,725,000	Interest earned - external investments		5,768,525	4,253,932
4,500,000	6,455,000	Interest earned - outstanding debtors		6,728,053	8,762,277
3,079,900	10,666,650	Fines		10,000,527	8,688,321
2,000,000	3,300,000	Income for agency services		3,217,770	3,441,019
1,921,500	1,995,600	Licences and permits		1,883,125	1,968,187
13,255,600	18,291,578	Operating grants and subsidies	18	21,076,238	12,551,341
6,253,660	9,327,788	Other income	19	9,550,933	8,296,376
0	245,730	Gains on disposal of property, plant and equipment		245,730	0
210,257,000	249,459,230	Sub-total		260,086,634	228,228,090
0	69,865,832	Grants and subsidies - capital		25,671,614	17,080,663
210,257,000	319,325,062	Operating revenue generated		285,758,248	245,308,753
9,252,000	24,855,000	Less income forgone - Rebates		26,247,347	13,080,424
201,005,000	294,470,062	Total direct operating revenue		259,510,901	232,228,329
60,380,347	61,097,809	Internal Transfers		61,304,031	60,606,809
60,380,347	61,097,809	Internal transfers		61,304,031	60,606,809
261,385,347	355,567,871	Total operating Income		320,814,932	292,835,138
EXPENDITURE					
74,060,148	77,689,721	Employee related costs	20	77,512,293	71,424,255
5,328,720	4,872,679	Remuneration of councillors	21	4,782,868	4,709,782
18,600,000	11,900,000	Provision for bad debt	26	15,812,677	14,810,000
3,100,000	2,300,000	Debt collection costs		1,068,061	1,763,328
6,400,000	12,486,163	Depreciation		12,622,656	8,736,319
14,968,481	22,965,842	Repairs and maintenance		23,542,532	15,885,401
8,940,000	11,685,790	Interest on external borrowings	23	11,136,979	5,939,731
42,280,000	46,370,000	Bulk purchases	24	47,125,673	43,773,818
1,380,000	2,195,800	Contracted services		1,961,388	1,934,648
20,086,901	40,634,664	General expenses other		43,375,788	27,748,068
818,660	884,150	Contributions to (from) Provisions	26	3,956,633	818,660
195,962,910	233,984,809	Total Direct Operating expenditure		242,897,548	197,544,010
60,380,347	61,097,809	Inter departmental charges / transfers		61,304,031	60,606,809
256,343,257	295,082,618	Total Operating Expenditure		304,201,579	258,150,819
5,042,090	60,485,253	Net Operating Surplus (Deficit)		16,613,353	34,684,319

Refer to Appendix E(1) for explanation of variances

**BREEDE VALLEY MUNICIPALITY**  
**STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2005**

	Capital Replacement Reserve	Housing Development Fund	Capitalisation Reserve	Depreciation Reserve Capital Grants	Self Insurance Reserve	Other Reserves not permitted	Unappropriated Surplus	Total
	R	R	R	R	R		R	R
<b>2004</b>								
Balance at 1 July 2003	0	28 850 223	0	0	2 852 267	91 196 214	44 352 841	167 251 545
Implementation of GAMAP	27 355 318	0	48 704 338	24 044 430		(91 196 214)	(48 631 078)	(39 723 206)
Restated balance	<b>27 355 318</b>	<b>28 850 223</b>	<b>48 704 338</b>	<b>24 044 430</b>	<b>2 852 267</b>	<b>0</b>	<b>(4 278 237)</b>	<b>127 528 339</b>
Net surplus for the year							34 684 319	34 684 319
Other Income	6 603 826	553 263						7 157 089
Property plant and equipment purchased				17 080 663			(17 080 663)	0
Property plant and equipment purchased	(6 322 564)		6 322 564				0	0
Contribution to Insurance Reserve					1 846 097		(1 846 097)	0
Offsetting of depreciation			(4 031 342)	(1 769 776)			5 801 118	0
Interest on Investments		68 099			323 447			391 546
Housing Development Fund Expenditure		(7 877 731)						(7 877 731)
Insurance Fund Other Income					40 237			40 237
Insurance Fund Expenditure					(1 365 254)			(1 365 254)
Contributions	2 936 250						(2 936 250)	0
Adjustments	(1 399 452)	( 61 000)						(1 460 452)
Operating Expenditure	(9 173 378)							(9 173 378)
Capital Expenditure Ex revenue	0		435 487				( 435 487)	0
Appropriations							(7 963 498)	(7 963 498)
Balance at 30 June 2004	<b>20 000 000</b>	<b>21 532 854</b>	<b>51 431 047</b>	<b>39 355 317</b>	<b>3 696 794</b>	<b>0</b>	<b>5 945 205</b>	<b>141 961 217</b>
Adjustments								
Property plant and equipment purchased - Note 37				(2 060 000)				(2 060 000)
Restated balance 30 June 2004	<b>20 000 000</b>	<b>21 532 854</b>	<b>51 431 047</b>	<b>37 295 317</b>	<b>3 696 794</b>	<b>0</b>	<b>5 945 205</b>	<b>139 901 217</b>
<b>2005</b>								
Balance at 1 July 2004	20 000 000	21 532 854	51 431 047	37 295 317	3 696 794	0	5 945 205	139 901 217
Changes in Accounting Policies			(6 322 564)				6 322 564	0
Restated balance	<b>20 000 000</b>	<b>21 532 854</b>	<b>45 108 483</b>	<b>37 295 317</b>	<b>3 696 794</b>	<b>0</b>	<b>12 267 769</b>	<b>139 901 217</b>
Net surplus for the year							16 613 353	16 613 353
Other Income								0
Property plant and equipment purchased				25 671 614			(25 671 614)	0
Property plant and equipment purchased	(3 382 249)						3 382 249	0
Contribution to Insurance Reserve					150 000		( 150 000)	0
Offsetting of depreciation			(4 906 693)	(2 968 996)			7 875 689	0
Interest on Investments					429 567		( 429 567)	0
Housing rental written-off		(3 098 042)						(3 098 042)
Contributions	990 916						( 990 916)	0
Adjustments			4 036 624				0	4 036 624
Operating Expenditure		(1 543 329)					1 543 329	0
Provision for Doubtful Long term debtors		(6 533 856)						(6 533 856)
Provision for Doubtful debtors		(6 747 047)						(6 747 047)
Transfer From Insurance Reserve					( 115 120)		115 120	0
Balance at 30 June 2005	<b>17 608 667</b>	<b>3 610 580</b>	<b>44 238 414</b>	<b>59 997 935</b>	<b>4 161 241</b>	<b>0</b>	<b>14 555 412</b>	<b>144 172 249</b>

**BREEDE VALLEY MUNICIPALITY**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005**

	Note	2005	2004
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from ratepayers, government and other		276,112,898	242,678,288
Cash paid to suppliers and employees		-242,140,658	-202,873,356
Cash generated from operations	27	33,972,240	39,804,932
Interest received: Investments & Current account		5,768,525	4,645,478
Interest paid	23	-11,136,979	-5,939,731
<b>NET CASH FROM OPERATING ACTIVITIES</b>		28,603,786	38,510,679
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		-43,555,256	-43,464,662
Proceeds on disposal of fixed assets		245,730	0
Increases in non-current receivables	11	2,284,817	1,791,803
Increase in current Investments		-3,000,000	0
Increase in investments		-2,056,674	-14,559,749
<b>NET CASH FROM INVESTING ACTIVITIES</b>		-46,081,383	-56,232,608
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New loans raised		16,977,847	20,869,085
External loans repaid		-3,937,679	-817,336
Increase in consumer deposits		-273,559	155,404
<b>NET CASH FROM FINANCING ACTIVITIES</b>		12,766,609	20,207,153
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT</b>	28	-4,710,988	2,485,224
Cash and cash equivalents at the beginning of the year		5,002,811	2,517,587
Cash and cash equivalents at the end of the year		291,823	5,002,811

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
	<b>R</b>	<b>R</b>
<b>1. HOUSING DEVELOPMENT FUND</b>		
Housing Development Fund	<u><b>3,610,580</b></u>	<u><b>21,532,854</b></u>
Unappropriated Surplus	<u>3,610,580</u>	<u>21,532,854</u>
The Housing Development Fund is represented by the following assets and liabilities		
Instalments Sales Debtors (see note 11 & 13)	385,467	13,518,668
Investments (see note 10)	0	0
Other Debtors (see note 13 & 14)	9,352,768	12,089,069
Cash and cash equivalents (see note 15)	0	0
Sub-total	<u>9,738,235</u>	<u>25,607,737</u>
Due by Housing Development Fund to Municipality	<u>-6,127,655</u>	<u>-4,074,883</u>
<b>Total Housing Development Fund Assets and Liabilities</b>	<u><b>3,610,580</b></u>	<u><b>21,532,854</b></u>
<b>2. RESERVES</b>		
Capital Replacement Reserve	17,608,667	20,000,000
Capitalisation reserve	44,238,414	51,431,047
Future Depreciation Reserve		
- Assets financed ex Grants	59,997,935	37,295,317
Self-insurance Reserve	4,161,241	3,696,794
<b>Total Reserves</b>	<u><b>126,006,257</b></u>	<u><b>112,423,158</b></u>
<b>3. LONG-TERM LIABILITIES</b>	<b>2,005</b>	<b>2,004</b>
	<b>R</b>	<b>R</b>
Local Registered Stock Loans	23,411,709	25,911,709
Annuity Loans	54,362,321	38,822,153
Sub-total	<u>77,774,030</u>	<u>64,733,862</u>
Less: Current portion transferred to current liabilities	2,912,234	3,374,343
Local Registered Stock Loans	0	2,500,000
Annuity Loans	<u>2,912,234</u>	<u>874,343</u>
<b>Total External Loans</b>	<u><b>74,861,796</b></u>	<u><b>61,359,519</b></u>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
	<b>R</b>	<b>R</b>
<b>4. NON-CURRENT PROVISIONS</b>		
Provision for the rehabilitation of landfill site	600,000	600,000
Provision for alien vegetation	350,000	350,000
<b>Total Non-current Provisions</b>	<b>950,000</b>	<b>950,000</b>
	<b>Landfill</b>	<b>Alien vegetation</b>
	<b>R</b>	<b>R</b>
The movement in the provisions is reconciled as follows:-		
Balance at the beginning of the year	600,000	350,000
Contributions to Provisions	0	0
Expenditure incurred	0	0
Transfer to current provisions	0	0
<b>Balance at end of year</b>	<b>600,000</b>	<b>350,000</b>
<b>5. CONSUMER DEPOSITS</b>	<b>2,005</b>	<b>2,004</b>
	<b>R</b>	<b>R</b>
Electricity	1,374,086	1,724,929
Water	796,628	719,344
<b>Total Consumer Deposits</b>	<b>2,170,714</b>	<b>2,444,273</b>
<b>Guarantees held in lieu of Electricity and Water Deposits</b>	<b>35,300</b>	<b>37,800</b>
<b>6. CURRENT PROVISIONS</b>	<b>2,005</b>	<b>2,004</b>
	<b>R</b>	<b>R</b>
No amount has been transferred from the Non-current Provisions to	0	0
Current provisions for the year ended 30 June 2005		
	<b>0</b>	<b>0</b>
<b>7. CREDITORS</b>	<b>2,005</b>	<b>2,004</b>
	<b>R</b>	<b>R</b>
Trade creditors	15,659,733	18,717,465
Payments received in advance	2,419,534	1,158,373
Sundry deposits	436,353	501,330
Retentions	2,203,459	1,381,730
Staff leave	5,346,665	5,426,103
Other creditors	241,423	136,346
<b>Total creditors</b>	<b>26,307,167</b>	<b>27,321,347</b>

**BREEDE VALLEY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005 R	2004 R
<b>8. UNSPENT CONDITIONAL GRANTS AND RECEIPTS</b>		
<b>Conditional Grants from other spheres of Government</b>	<b>7,251,017</b>	<b>7,997,007</b>
National Government	4,592,933	1,686,588
Provincial Government	2,435,463	6,082,475
District Municipality	222,621	227,944
<b>Other Conditional Receipts</b>	<b>14,338</b>	<b>0</b>
Developers Contributions	0	0
Public Contributions	0	0
Other Municipalities	14,338	0
<b>Total Conditional Grants and Receipts</b>	<b>7,265,355</b>	<b>7,997,007</b>

See note 18 for reconciliation of grants National/Provincial Government.  
These amounts are invested until utilized

**BREDE VALLEY MUNICIPALITY**  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

**9. PROPERTY, PLANT AND EQUIPMENT**  
**30 June 2005**

<b>Reconciliation of Carrying Value</b>	<b>Land and Buildings</b>	<b>Infrastructure</b>	<b>Community</b>	<b>Other</b>	<b>Housing Development Fund</b>	<b>Total</b>
	R	R	R	R	R	R
<b>Carrying values at 30 June 2004</b>	<b>26,926,126</b>	<b>75,426,409</b>	<b>14,201,695</b>	<b>8,434,711</b>	<b>14,211,109</b>	<b>139,200,050</b>
<b>Reclassification of Assets</b>	<b>-26,926,126</b>	<b>129,230</b>	<b>28,482,485</b>	<b>12,525,520</b>	<b>-14,211,109</b>	<b>0</b>
<b>Carrying Values at 1 July 2004</b>		<b>75,555,639</b>	<b>42,684,180</b>	<b>20,960,231</b>		<b>139,200,050</b>
Cost		196,696,881	160,749,372	57,363,768		414,810,021
Correction of error (note 32)						
Revaluation						
*Accumalated Depreciation		-121,141,242	-118,065,192	-36,403,537		-275,609,971
-Cost		-121,141,242	-118,065,192	-36,403,537		-275,609,971
-Revaluation						
Acquisitions		29,263,829	4,714,852	1,630,537		35,609,218
Capital under Construction		5,646,523	5,760,168	2,080,000		13,486,691
Assets previously left out		10,958,112	5,031,000	815,000		16,804,112
Increase/decreases in revaluation						
Depreciation		-14,001,117	-7,865,073	-3,523,954		-25,390,144
-based on cost		-6,987,629	-2,834,073	-2,800,954		-12,622,656
-Assets previously left out		-7,013,488	-5,031,000	-723,000		-12,767,488
-based on revaluation						
Carrying value of disposals	0	0	0	0	0	0
Cost/Revaluation				-630,380		
Accumalated depreciation				630,380		
Impairment losses						
Other movements		-40,409				-40,409
<b>Carrying Values at 30 June 2005</b>		<b>107,382,574</b>	<b>50,325,127</b>	<b>21,961,817</b>		<b>179,669,518</b>
Cost		242,524,936	176,255,391	61,258,926		480,039,253
Revaluation						0
Accumalated Depreciation		-135,142,362	-125,930,264	-39,297,109		-300,369,735
-Cost		-135,142,362	-125,930,264	-39,297,109		-300,369,735
-Revaluation						

**30 June 2004**

<b>Reconciliation of Carrying Value</b>	<b>Land and Buildings</b>	<b>Infrastructure</b>	<b>Community</b>	<b>Other</b>	<b>Housing Development Fund</b>	<b>Total</b>
	R	R	R	R	R	R
<b>Carrying Values at 1 July 2003</b>	<b>16,883,356</b>	<b>55,379,823</b>	<b>13,768,329</b>	<b>3,161,134</b>	<b>15,279,065</b>	<b>104,471,707</b>
Cost	50,813,908	172,121,439	62,757,290	15,121,492	70,531,230	371,345,359
Revaluation						
Accumalated Depreciation	-33,930,552	-116,741,616	-48,988,961	-11,960,358	-55,252,165	-266,873,652
-Cost	-33,930,552	-116,741,616	-48,988,961	-11,960,358	-55,252,165	-266,873,652
-Revaluation						
Acquisitions	11,106,001	24,887,352	1,389,905	6,011,219	29,776	43,424,253
Capital under Construction		40,409				40,409
Increase/decreases in revaluation						
Depreciation	-1,063,230	-4,881,175	-956,540	-737,643	-1,097,731	-8,736,319
-based on cost	-1,063,230	-4,881,175	-956,540	-737,643	-1,097,731	-8,736,319
-based on revaluation						
Carrying value of disposals						
Cost/Revaluation						
Accumalated depreciation						
Impairment losses						
Other movements						
<b>Carrying values at 30 June 2004</b>	<b>26,926,126</b>	<b>75,426,409</b>	<b>14,201,695</b>	<b>8,434,711</b>	<b>14,211,109</b>	<b>139,200,050</b>
Cost	61,919,908	197,049,200	64,147,195	21,132,712	70,561,006	414,810,021
Correction of error (note 32)						
Revaluation						
Accumalated Depreciation	-34,993,782	-121,622,791	-49,945,500	-12,698,001	-56,349,897	-275,609,971
-Cost	-34,993,782	-121,622,791	-49,945,500	-12,698,001	-56,349,897	-275,609,971
-Revaluation						

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

Provision has been made for the estimated costs of restoring refuse landfill sites, including in other assets, as described in note 4

The assets have been reclassified in order to be in line with the GAMAP classification of assets. Therefore the balances at 30 June 2004 has been reallocated to the correct assets types as indicated above.



# BREEDE VALLEY MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

9. (continue)	2005	2004
<b>INVESTMENT PROPERTY</b>	<b>R</b>	<b>R</b>
Cost	1,960,000	1,960,000
<b>Total Investment Property</b>	<b>1,960,000</b>	<b>1,960,000</b>

Investment properties are not depreciated and are held to earn rental income and appreciate capital value. Investment properties are stated at fair value and are revalued every four years by the Municipality's valuers. The last date of valuation was 1 July 2004.

10. <b>INVESTMENTS</b>	2005	2004
	<b>R</b>	<b>R</b>
<b>Financial Instruments</b>		
Fixed Deposits - ABSA	12,555,621	10,498,947
Other Deposits	37,000,000	34,000,000
- Absa	8,000,000	10,000,000
- Nedbank	9,000,000	7,000,000
- First National Bank	9,000,000	15,000,000
- Standard Bank	11,000,000	2,000,000
Total Cash Investments	49,555,621	44,498,947
<b>Total Investments</b>	<b>49,555,621</b>	<b>44,498,947</b>
Average rate of return on Investments	11.62%	11.34%

11. <b>LONG TERM RECEIVABLES</b>		
Car loans	118,745	203,544
Housing selling scheme	243,570	3,435,442
Housing selling scheme	3,171,486	3,435,442
Less: Provision for doubtful debtors	-2,927,916	
Housing personnel	3,419,501	4,134,337
Welfare loan	0	3,625,561
Welfare	3,605,940	3,625,561
Less: Provision for doubtful debtors	-3,605,940	0
Recreational	230,691	261,759
Land sales	179,035	1,349,572
Other	0	0
sub-total	4,191,542	13,010,215
Less: Current Portion transferred to current receivables	434,755	577,760
Car loans	66,999	84,800
Housing selling scheme	128,111	123,253
Housing personnel	92,422	77,381
Welfare	19,818	19,620
Recreational	32,278	38,762
Land sales	95,127	233,944
<b>Total long term receivables</b>	<b>3,756,787</b>	<b>12,432,455</b>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	R	R

**LONG TERM RECEIVABLES (Continue)**

**CAR LOANS**

Senior Staff were entitled to car loans which attract interest at 8% per annum and which are repayable over a maximum period of 5 years. The last loan will be repaid on 31 May 2007.

**HOUSING SELLING SCHEME LOANS**

Housing loans are granted to qualifying individuals in terms of the provincial administration's housing programme. These loans attract interest of prime plus 1% per annum and are repayable over a maximum period of 30 years.

**HOUSING LOANS - PERSONNEL**

Housing loans were granted to personnel and attract interest at between 7.5% and 15% per annum and are repayable over periods not exceeding 30 years

**WELFARE LOANS**

Welfare loans are granted to qualifying organisations in terms of the provincial administration's housing programme. These loans attract interest of 1% per annum and are repayable over a maximum period of 30 years.

**RECREATIONAL LOANS**

Loans were granted to certain recreational institutions and attract interest at rates between 11.25% and 18% per annum, and are repayable over periods not exceeding 30 years

**LAND SALES**

Loans were granted to individuals for when purchasing land from the Municipality. These loans attract interest at prime plus 1% and are repayable over periods not exceeding 2 Years.

**12. INVENTORY**

Consumable stores	3,518,099	3,362,955
Less :Provision for obsolescence	-108,392	0
	<u><u>3,409,707</u></u>	<u><u>3,362,955</u></u>

Inventory is net of specific provisions for obsolescence

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

**13. CONSUMER DEBTORS  
As at 30 June 2005**

	<b>Gross Balances</b>	<b>Provision for Bad Debts</b>	<b>Net balance</b>
Service debtors	78,139,410	64,127,480	14,011,930
Rates	18,852,857	15,908,911	2,943,946
Electricity	16,319,845	10,115,452	6,204,393
Water	16,794,346	14,511,437	2,282,909
Sewerage	11,421,401	10,191,262	1,230,139
Refuse removal	14,108,840	12,935,047	1,173,793
Availability charges	639,270	462,556	176,714
Deferments	2,851	2,815	36
Sundries	6,090,524	5,301,933	788,591
Housing Rentals	8,852,971	7,961,574	891,397
Selling Schemes Instalments	7,445,503	7,100,267	345,236
<b>Total</b>	<b>100,528,408</b>	<b>84,491,254</b>	<b>16,037,154</b>

**As at 30 June 2004**

Service debtors	97,398,652	72,053,685	25,344,967
Rates	18,643,048	14,300,703	4,342,345
Electricity	24,174,083	15,373,863	8,800,220
Water	22,655,139	15,476,055	7,179,084
Sewerage	14,261,358	11,432,696	2,828,662
Refuse removal	16,875,817	14,749,392	2,126,425
Availability charges	779,036	717,785	61,251
Deferments	10,171	3,191	6,980
Sundries	6,156,891	5,007,349	1,149,542
Housing Rentals	9,137,748	7,724,632	1,413,116
Selling Schemes Instalments	6,980,756	5,571,386	1,409,370
<b>Total</b>	<b>119,674,047</b>	<b>90,357,052</b>	<b>29,316,995</b>

	<b>2005</b>	<b>2004</b>
<b>Rates: Ageing</b>		
Current (0 -30 days)	2,189,340	966,758
31 - 60 Days	497,461	316,536
61 - 90 Days	257,145	283,340
91 - 120 Days	222,657	294,337
121 - 365 Days	12,916,044	14,005,964
Arrangements	2,770,210	2,776,113
<b>Total</b>	<b>18,852,857</b>	<b>18,643,048</b>

<b>Refuse Removal: Ageing</b>		
Current (0 - 30 days)	770,606	648,945
31 - 60 Days	217,487	161,592
61 - 90 Days	185,699	148,843
91 - 120 Days	174,156	177,053
121 - 365 Days	10,467,997	13,365,514
Arrangements	2,292,895	2,373,871
<b>Total</b>	<b>14,108,840</b>	<b>16,875,817</b>

<b>Sewerage: Ageing</b>		
Current (0 - 30 days)	827,717	603,772
31 - 60 Days	223,526	146,382
61 - 90 Days	178,896	134,236
91 - 120 Days	181,136	617,594
121 - 365 Days	7,356,662	9,865,586
Arrangements	2,653,465	2,893,788
<b>Total</b>	<b>11,421,401</b>	<b>14,261,358</b>

<b>Electricity: Ageing</b>		
Current (0 - 30 days)	5,405,087	5,139,010
31 - 60 Days	496,943	309,230
61 - 90 Days	302,363	318,374
91 - 120 Days	216,924	234,301
121 - 365 Days	6,363,353	13,832,159
Arrangements	3,535,174	4,341,009
<b>Total</b>	<b>16,319,845</b>	<b>24,174,083</b>

**BREDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

<b>13. CONSUMER DEBTORS (continued)</b>	<b>2005</b>	<b>2004</b>
<b>Water: Ageing</b>		
Current (0 - 30 days)	1,340,700	2,311,729
31 - 60 Days	481,225	395,723
61 - 90 Days	460,984	446,712
91 - 120 Days	439,572	633,807
121 - 365 Days	9,053,416	13,423,582
Arrangements	5,018,450	5,443,585
<b>Total</b>	<b>16,794,346</b>	<b>22,655,139</b>
<b>Housing Rentals: Ageing</b>		
Current (0 - 30 days)	329,376	296,570
31 - 60 Days	250,563	222,477
61 - 90 Days	311,457	235,362
91 - 120 Days	1,033,283	283,071
121 - 365 Days	5,383,015	6,968,408
Arrangements	1,545,277	1,131,860
<b>Total</b>	<b>8,852,971</b>	<b>9,137,748</b>
<b>Housing Selling schemes: Ageing</b>		
Current (0 - 30 days)	223,133	-75,931
31 - 60 Days	75,354	37,925
61 - 90 Days	46,749	72,614
91 - 120 Days	592,485	39,678
121 - 365 Days	4,710,360	5,493,364
Arrangements	1,797,422	1,413,106
<b>Total</b>	<b>7,445,503</b>	<b>6,980,756</b>
<b>Availability charges: Ageing</b>		
Current (0 - 30 days)	99,649	36,947
31 - 60 Days	49,420	31,710
61 - 90 Days	27,644	23,508
91 - 120 Days	21,138	23,464
121 - 365 Days	370,592	621,258
Arrangements	70,826	42,149
<b>Total</b>	<b>639,270</b>	<b>779,036</b>
<b>Deferments Ageing</b>		
Current (0 - 30 days)	32	-742
31 - 60 Days	2	5
61 - 90 Days	2	31
91 - 120 Days	2	4
121 - 365 Days	338	3,095
Arrangements	2,475	7,778
<b>Total</b>	<b>2,851</b>	<b>10,171</b>
<b>Sundries Ageing</b>		
Current (0 - 30 days)	531,294	489,837
31 - 60 Days	153,128	322,708
61 - 90 Days	104,169	110,167
91 - 120 Days	105,988	262,046
121 - 365 Days	4,682,699	4,583,309
Arrangements	513,246	388,824
<b>Total</b>	<b>6,090,524</b>	<b>6,156,891</b>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005 R	2004 R
<b>14. OTHER DEBTORS</b>		
Housing board subsidies	600,468	603,259
Over-expenditure	99,108	2,532,798
Government subsidies	610,803	1,475,599
Interest receivable	1,143,434	699,742
SARS VAT	323,940	865,428
Recoverable expenses	303,149	218,216
Loans granted	24,244	512,234
Loans granted (prior to 1.7.2004)	561,164	0
Less provision for bad debts	-536,920	0
Prepaid expenses	149,927	0
Other debtors	269,077	88,457
		0
<b>Total other debtors</b>	<b>3,524,150</b>	<b>6,995,733</b>

**15. Bank and Cash**

The Municipality has the following bank accounts:-

**Current Account (Primary Bank Account)**

Cashbook balance at the beginning of the year	4,969,456	2,503,402
Cashbook balance at the end of year	287,668	4,969,456
Cash on hand	4,155	33,355
Total Bank and Cash	291,823	5,002,811

ABSA Bank - Worcester Branch

Account number 1000010312

Bank statement balance at the beginning of the year	9,990,262	3,527,820
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Bank statement balance at the end of the year	3,622,864	9,990,262
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First National Bank - Current Account

Account number 53902831429

Bank statement balance at the beginning of the year	0	5,514
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Bank statement balance at the end of the year	0	0
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	2005 R	2004 R
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**16. PROPERTY RATES**

**Actual Income**

<b>Total Assessment Rates</b>	<b>50,192,450</b>	<b>37,477,565</b>
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**Valuations**

	2005 Land	2005 Improvements	2004 Land	2004 Improvements
De Doorns			2,874,860	87,413,500
Rawsonville			10,937,000	52,431,600
Touwsriver	1,284,062,135	2,779,661,000	2,181,760	43,279,700
Worcester			392,682,815	1,599,754,293
Rural				
<b>Total Property Valuations</b>	<b>1,284,062,135</b>	<b>2,779,661,000</b>	<b>408,676,435</b>	<b>1,782,879,093</b>

Valuations on land and buildings are performed every four years. The last valuation came into effect 1 July 2004. Interim valuations are processed once a year taking into account changes in individual property values due to alterations and subdivisions.

Rates are levied on an annual basis with the final date of payment 30 September. Monthly levies are allowed on application. Interest at 1% above the prime bank rate is levied on outstanding rates. A differentiated rebate up to 40% is granted to owners under certain circumstances.

	2005 Land	2005 Improvements	2004 Land	2004 Improvements
<b>The basic Rate's are as follows:</b>				
De Doorns	1.2363 c/R	1.2363 c/R	1.6707 c/R	1.6707 c/R
Rawsonville	1.2363 c/R	1.2363 c/R	1.6707 c/R	1.2390 c/R
Touwsriver	1.2363 c/R	1.2363 c/R	1.2363 c/R	2.7051 c/R
Worcester	1.2363 c/R	1.2363 c/R	1.6707 c/R	1.6707 c/R
Rural	1.2363 c/R	1.2363 c/R	0	0

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
	<b>R</b>	<b>R</b>
<b>17. SERVICE CHARGES</b>		
Sale of electricity	88,134,253	80,751,233
Sale of water	25,239,695	27,307,845
Refuse removal	14,551,249	13,631,410
Sewerage and sanitation charges	15,808,710	13,121,327
<b>Total Service Charges</b>	<b>143,733,907</b>	<b>134,811,815</b>
<b>18. GOVERNMENT GRANTS AND SUBSIDIES</b>		
<b>Allocated to Operating Account:-</b>		
Equitable share	12,443,536	10,902,171
Provincial Health Subsidies	2,858,674	1,266,576
Provincial Road Subsidies	136,200	163,599
Provincial Infrastructure Grant	0	29,850
Provincial subsidy cleaning project	195,129	
Provincial Library Services	70,386	12,234
LGWSETA:Staff Development	478,718	0
PAWC ISDN Line Firebrigade	5,212	
Spatial Planning	125,000	0
PAWC Sport and culture	87,362	0
Provincial Transport and Public Works - Environmental Impact Study : Eastern Bypass	0	40,000
PAWC - Poverty Alleviation Projects	529,551	
Financial Management Grant	550,215	0
PAWC IDP	24,101	
Provincial Transport and Public Works - Transport Infrastructure	2,005,000	0
District Municipality - IDP Review	5,322	0
PAWC Aids project	28,211	0
Provincial Social Vegetable project	258,897	0
Social Services Masizakhe	26,555	0
PAWC Municipal Support program	101,251	0
Restoration prepaid electricity	320,820	0
Learnership SETA	10,252	0
Work for water	2,004,490	0
Expanded public works program	41,783	0
Pavement Management System	205,000	0
Unobuntu MPC Computer and business training	50,000	0
Electricity- Drivers training	18,480	0
Electricity- Master plan Funding	150,890	0
Sewerage Master Plan	50,000	0
Steenvliet access road	3,801,000	0
Tourism (District Municipality)	190,617	0
Housing schemes maintenance (District Municipality)	140,037	0
Unicity of Cape Town - Community Kids	25,663	0
Systems Improvement Grant	12,231	0
INEP	765,000	0
MIG 2004/2005	5,387,619	0
Zweletemba Poverty Aliviation - CMIP	2,193,599	0
Stettynskloof C02 Rehabilitation - CMIP	669,873	0
Upgrade Bokriver Pipeline	2,634,572	0
Provincial Transport and Public Works - Arive Alive	0	41,311
DME Electrical connections	432,155	
District Municipality - Venus Festival	0	20,600
District Municipality - IDP Review	50,000	50,000
District Municipality - Avian Park	0	25,000
	<b>39,083,401</b>	<b>12,551,341</b>
<b>Allocated to Former Trust Funds:-</b>		
LGWSETA:Staff Development	0	537,431
Provincial Subsidy - Cleaning Project	0	275,000
Povincial Library Services - Extending Library Rawsonville	0	350,000
PAWC - Poverty Alleviation Projects	0	2,509,970
PAWC - Transport Infrastructure	0	2,105,000
PAWC - Water Affairs	0	160,000
PAWC - Spatial Planning	0	40,000
National Financial Management Grant	0	1,000,000
National LED Fund Nature Reserve	0	200,000
Provincial Social Vegetable project	0	282,490
PAWC - Department Sport and Culture	0	20,000
PAWC - Disaster Fund	0	21,500
District Municipality - Disaster Fund	0	7,762
	<b>0</b>	<b>7,509,153</b>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
<b>Other grants and donations:-</b>		
Municipal sports day - Prima kilpbrekers	1,000	0
Boland rugby Union - Boland Park	50,000	0
Deveelopment Bank S A	206,000	0
Darwo Trading Donations aids orphans	5,000	0
Angus fire - DVD Fire Brigade	2,200	0
	<u>264,200</u>	
<b>Housing Projects:-</b>		
550 IDT Erven	143,442	146,625
Orchards Sunnyside	0	2,340,656
350 Houses Avian Park	3,564	0
Rholihlahla 308 Erven	3,790,143	4,899,138
Zweletemba Housing Project	<u>3,463,102</u>	<u>151,680</u>
	<u>7,400,251</u>	<u>7,538,099</u>
<b>Other Capital Grants:-(Allocated to Jobs)</b>		
District Municipality - New Cemetry	0	237,177
Provincial Grant - Flood Protection Zweletemba	0	326,200
Provincial Grant - Rebuild Riebeeck / Roux	0	1,092,000
Provincial Grant - Rolihlahla	0	262,281
Provincial Grant - Robot Greystreet	0	151,943
Provincial Grant - Robot Leipoldt / Robert	0	157,450
District Municipality - Reservoir De Doorns	<u>0</u>	<u>213,721</u>
	<u>0</u>	<u>2,440,772</u>
<b>Total Government Grants and Subsidies</b>	<u><b>46,747,852</b></u>	<u><b>30,039,365</b></u>
<b>Certification:-</b>		
It is herewith certified that all allocations and subsidies received from National and Provincial Government as well the District Municipality, has been deposited into the Council's own main Bank account, and that all allocation received have been utilised in accordance with the conditions set. Where all the conditions have not yet been met, the total allocations have not been utilised. The outstanding conditions will be met prior to /or when the balance of the allocations is utilised. The percentage of the allocations utilised is an indication of the conditions met. Where the total of the allocations has been utilised, all the conditions have been met.		
<b>Equitable Share</b>		
In terms of the constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy based on their monthly income, which subsidy is funded from this grant		
Balance unspent at beginning of year	0	0
Current Year receipts included in Revenue (see Appendix E(1))	12,443,536	10,902,171
Conditions met - transferred to revenue	<u>12,443,536</u>	<u>10,902,171</u>
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>Provincial Health Subsidies</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Health vote (see Appendix D)	2,530,040	1,266,576
Debtor created	328,634	
Conditions met - transferred to revenue	<u>2,858,674</u>	<u>1,266,576</u>
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>Provincial Road Subsidy</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Road Transport Vote (see Appendix D)	0	163,599
Debtor created	136,200	
Conditions met - transferred to revenue	<u>136,200</u>	<u>163,599</u>
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>Provincial Infrastructure Grant</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Revenue (see Appendix E(1))	0	29,850
Conditions met - transferred to revenue	<u>0</u>	<u>29,850</u>
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>

**BREDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
<b>Provincial Library Services</b>		
Balance unspent at beginning of year		0
Current Year receipts included in Revenue (see Appendix E(1))	0	12,234
Conditions met - transferred to revenue	0	12,234
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Provincial Transport and Public Works</b> (Environmental Impact Study Eastern Bypass)		
Balance unspent at beginning of year		0
Current Year receipts included in Revenue (see Appendix E(1))	0	40,000
Conditions met - transferred to revenue	0	40,000
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Provincial Transport and Public Works</b> (Arrive Alive)		
Balance unspent at beginning of year		0
Current Year receipts included in Revenue (see Appendix E(1))	0	41,311
Conditions met - transferred to revenue	0	41,311
Conditions still to be met	<u>0</u>	<u>0</u>
<b>District Municipality</b> (Venus Festival)		
Balance unspent at beginning of year		0
Current Year receipts included in Revenue (see Appendix E(1))	0	20,600
Conditions met - transferred to revenue	0	20,600
Conditions still to be met	<u>0</u>	<u>0</u>
<b>District Municipality</b> (IDP Review)		
Balance unspent at beginning of year		0
Current Year receipts included in Revenue (see Appendix E(1))	50,000	50,000
Conditions met - transferred to revenue	50,000	50,000
Conditions still to be met	<u>0</u>	<u>0</u>
<b>District Municipality</b> (Avian Park)		
Balance unspent at beginning of year		0
Current Year receipts included in Revenue (see Appendix E(1))	0	25,000
Conditions met - transferred to revenue	0	25,000
Conditions still to be met	<u>0</u>	<u>0</u>
<b>LGWSETA -Staff Development</b>		
Balance unspent at beginning of year	294,244	139,041
Current Year receipts Included in Note 8	338,598	537,431
Conditions met	478,718	382,228
Conditions still to be met	<u>154,124</u>	<u>294,244</u>
<b>Provincial subsidy Cleaning Project</b>		
Balance unspent at beginning of year	100,000	178,208
Current Year receipts included in Note 8	100,000	275,000
Conditions met	195,129	353,208
Conditions still to be met	<u>4,871</u>	<u>100,000</u>
<b>PAWC Extension Library Rawsonville</b>		
Balance unspent at beginning of year	386	0
Current Year receipts included in Note 8	70,000	350,000
Conditions met	70,386	349,614
Conditions still to be met	<u>0</u>	<u>386</u>
<b>PAWC ISDN Line Firebrigade</b>		
Balance unspent at beginning of year	10,422	12,940
Current Year receipts included in Note 8	0	0
Conditions met	5,212	2,518
Conditions still to be met	<u>5,210</u>	<u>10,422</u>



**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
<b>PAWC Poverty Alleviation</b>		
Balance unspent at beginning of year	529,551	0
Current Year receipts included in Note 8	0	2,509,970
Conditions met	529,551	1,980,419
Conditions still to be met	<u><b>0</b></u>	<u><b>529,551</b></u>
<b>Provincial Transport and Public Works</b> (Transport Infrastructure)		
Balance unspent at beginning of year	2,005,000	0
Current Year receipts included in Note 8	0	2,105,000
Conditions met	2,005,000	100,000
Conditions still to be met	<u><b>0</b></u>	<u><b>2,005,000</b></u>
<b>PAWC Water Affairs</b> (Masibambane)		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	0	160,000
Conditions met	0	160,000
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>PAWC Spatial Planning</b>		
Balance unspent at beginning of year	0	55,940
Current Year receipts included in Note 8	125,000	40,000
Conditions met	125,000	95,940
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>PAWC Sport and Culture</b>		
Balance unspent at beginning of year	8,573	1,108
Current Year receipts included in Note 8	0	20,000
Other receipts	0	3,630
Conditions met	8,573	16,165
Conditions still to be met	<u><b>0</b></u>	<u><b>8,573</b></u>
<b>PAWC Sport and Culture</b> (Zwelentemba)		
Balance unspent at beginning of year	78,789	289,014
Current Year receipts included in Note 8	0	0
Conditions met	78,789	210,225
Conditions still to be met	<u><b>0</b></u>	<u><b>78,789</b></u>
<b>PAWC Multi purpose centre -Training</b>		
Balance unspent at beginning of year	83,669	84,020
Current Year receipts included in Note 8	0	0
Conditions met	0	351
Conditions still to be met	<u><b>83,669</b></u>	<u><b>83,669</b></u>
<b>PAWC Multi purpose centre - Capital</b>		
Balance unspent at beginning of year	46,865	50,869
Current Year receipts included in Note 8	0	0
Conditions met	0	4,004
Conditions still to be met	<u><b>46,865</b></u>	<u><b>46,865</b></u>
<b>Financial Management Grant</b>		
Balance unspent at beginning of year	762,910	0
Current Year receipts included in Note 8	0	1,000,000
Conditions met	550,215	237,090
Conditions still to be met	<u><b>212,695</b></u>	<u><b>762,910</b></u>
<b>PAWC IDP</b>		
Balance unspent at beginning of year	24,101	39,438
Current Year receipts included in Note 8	0	0
Conditions met	24,101	15,337
Conditions still to be met	<u><b>0</b></u>	<u><b>24,101</b></u>

**BREDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
<b>PAWC Upgrading Land Ownership</b>		
Balance unspent at beginning of year	124,782	125,043
Current Year receipts included in Note 8	0	0
Conditions met	0	261
Conditions still to be met	<u><b>124,782</b></u>	<u><b>124,782</b></u>
<b>Provincial and District Municipality Grants for Disaster Fund</b>		
Balance unspent at beginning of year	0	86,232
Current Year receipts included in Note 8 - Provincial Government	0	21,500
Current Year receipts included in Note 8 - District Municipality	0	7,762
Conditions met	0	115,494
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>PAWC Hostel Upgrading</b>		
Balance unspent at beginning of year	417,186	469,271
Current Year receipts included in Note 8	0	0
Conditions met	0	52,085
Conditions still to be met	<u><b>417,186</b></u>	<u><b>417,186</b></u>
<b>PAWC MPC Kitchen Upgrading</b>		
Balance unspent at beginning of year	33,055	33,055
Current Year receipts included in Note 8	0	0
Conditions met	0	0
Conditions still to be met	<u><b>33,055</b></u>	<u><b>33,055</b></u>
<b>PAWC Community Media</b>		
Balance unspent at beginning of year	5,302	5,302
Current Year receipts included in Note 8	0	0
Conditions met	0	0
Conditions still to be met	<u><b>5,302</b></u>	<u><b>5,302</b></u>
<b>PAWC M P C Projects</b>		
Balance unspent at beginning of year	3,161	3,161
Current Year receipts included in Note 8	0	0
Conditions met	0	0
Conditions still to be met	<u><b>3,161</b></u>	<u><b>3,161</b></u>
<b>District Municipality - Upgrade sewer works Touwsriver</b>		
Balance unspent at beginning of year	111,621	111,621
Current Year receipts included in Note 8	0	0
Conditions met	0	0
Conditions still to be met	<u><b>111,621</b></u>	<u><b>111,621</b></u>
<b>District Municipality - Upgrade sport facilities Touwsriver</b>		
Balance unspent at beginning of year	5,322	5,322
Current Year receipts included in Note 8	0	0
Conditions met	5,322	0
Conditions still to be met	<u><b>0</b></u>	<u><b>5,322</b></u>
<b>National - LED Fund Nature Reserve</b>		
Balance unspent at beginning of year	232,302	1,252,323
Current Year receipts included in Note 8	0	200,000
Conditions met	0	1,220,021
Conditions still to be met	<u><b>232,302</b></u>	<u><b>232,302</b></u>
<b>PAWC - Upgrade sport facilities Zweletemba</b>		
Balance unspent at beginning of year	41,903	45,332
Current Year receipts included in Note 8	0	0
Conditions met	0	3,429
Conditions still to be met	<u><b>41,903</b></u>	<u><b>41,903</b></u>

**BREDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
<b>PAWC -Aids Project</b>		
Balance unspent at beginning of year	28,211	69,057
Current Year receipts included in Note 8	0	0
Conditions met	28,211	40,846
Conditions still to be met	<u>0</u>	<u>28,211</u>
<b>PAWC - Social Services Vegetable Garden Worcester</b>		
Balance unspent at beginning of year	259,196	164,424
Current Year receipts included in Note 8	0	282,490
Conditions met	258,897	187,718
Conditions still to be met	<u>299</u>	<u>259,196</u>
<b>PAWC -Social Services Walala Wasala</b>		
Balance unspent at beginning of year	28,356	89,556
Current Year receipts included in Note 8	0	0
Conditions met	0	61,200
Conditions still to be met	<u>28,356</u>	<u>28,356</u>
<b>PAWC -Social Services Masizakhe</b>		
Balance unspent at beginning of year	57,764	82,088
Current Year receipts included in Note 8		0
Conditions met	26,555	24,324
Conditions still to be met	<u>31,209</u>	<u>57,764</u>
<b>D M E Electricity connections Zweletemba</b>		
Balance unspent at beginning of year	583,484	556,449
Current Year receipts included in Note 8	0	0
Adjustment	0	98,295
Conditions met	432,155	71,260
Conditions still to be met	<u>151,329</u>	<u>583,484</u>
<b>District Municipality - Purchase land Hasie square</b>		
Balance unspent at beginning of year	111,000	111,000
Current Year receipts included in Note 8	0	0
Conditions met	0	0
Conditions still to be met	<u>111,000</u>	<u>111,000</u>
<b>RDP Electricity Service Touwsriver</b>		
Balance unspent at beginning of year	107,892	129,855
Current Year receipts included in Note 8	0	0
Conditions met	0	21,963
Conditions still to be met	<u>107,892</u>	<u>107,892</u>
<b>Social Plan Fund</b>		
Balance unspent at beginning of year	5,323	5,323
Current Year receipts included in Note 8	0	0
Conditions met	0	0
Conditions still to be met	<u>5,323</u>	<u>5,323</u>
<b>58 House for Staff (SAMWU)</b>		
Balance unspent at beginning of year	44,824	-1,624,572
Current Year receipts included in Note 8	0	0
Adjustment	0	1,234,878
Other receipts	0	434,518
Conditions met	0	0
Conditions still to be met	<u>44,824</u>	<u>44,824</u>
<b>Orchards Sunnyside 168 erven</b>		
Balance unspent at beginning of year	1,386,972	-329,954
Current Year receipts included in Note 8	0	2,340,656
Refunded	810,382	
Conditions met	0	623,730
Conditions still to be met	<u>576,590</u>	<u>1,386,972</u>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
<b>Rolihlahla 308 Erven</b>		
Balance unspent at beginning of year	218,772	-142,000
Current Year receipts included in Note 8	3,391,018	4,899,138
Conditions met	3,790,143	4,538,366
Included in other debtors	180,353	0
Conditions still to be met	<u><b>-0</b></u>	<u><b>218,772</b></u>
<b>1800 Zweletemba Housing Project</b>		
Balance unspent at beginning of year	144,818	-6,862
Current Year receipts included in Note 8	4,069,028	151,680
Conditions met	3,463,102	0
Conditions still to be met	<u><b>750,744</b></u>	<u><b>144,818</b></u>
<b>PAWC Municipal Support Program</b>		
Balance unspent at beginning of year	101,251	199,062
Current Year receipts included in Note 8	0	0
Conditions met	101,251	97,811
Conditions still to be met	<u><b>0</b></u>	<u><b>101,251</b></u>
<b>550 IDT Erven</b>		
Balance unspent at beginning of year	0	-788,066
From other debtors	-787,570	0
Other income	712	0
Current Year receipts included in Note 8	129,375	146,625
Written -of against operating account	878,917	
Conditions met	143,442	146,129
Included in Other debtors	0	787,570
Conditions still to be met	<u><b>77,992</b></u>	<u><b>0</b></u>
<b>350 Houses Avian Park</b>		
Balance unspent at beginning of year	0	0
From other debtors	-2,250,001	0
Current Year receipts included in Note 8	186,708	0
Written -of against operating account	1,646,742	0
Conditions met	3,564	0
Included in Other debtors	420,115	0
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>339 Houses</b>		
Balance unspent at beginning of year	0	0
From other debtors	-98,486	0
Current Year receipts included in Note 8	0	0
Over-expenditure	622	0
Conditions met	0	0
Included in Other debtors	99,108	0
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>Restoration Pre-paid electricity</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	320,820	0
Conditions met	320,820	0
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>Learnership SETA</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	4,320	0
Debtor created	5,932	0
Conditions met	10,252	0
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>
<b>Work for water</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	2,004,490	0
Conditions met	2,004,490	0
Conditions still to be met	<u><b>0</b></u>	<u><b>0</b></u>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
<b>Expanded Public Works program</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	41,783	0
Conditions met	41,783	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Pavement Management system</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	205,000	0
Conditions met	205,000	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Unobunt MPC: Computer and business training</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	50,000	0
Conditions met	50,000	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Electricity - Drivers training</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	18,480	0
Conditions met	18,480	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Electricity - Master Planning Funding</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	150,890	0
Conditions met	150,890	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Sewerage Master Plan</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	50,000	0
Conditions met	50,000	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Steenvliet access road</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	3,801,000	0
Conditions met	3,801,000	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Tourism (District Municipality)</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	190,617	0
Conditions met	190,617	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Housing Schemes maintenance</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	0	0
Debtor created	140,037	0
Conditions met	140,037	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Donation - Municipal sports day - Prima Klipbrekers</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	1,000	0
Conditions met	1,000	0
Conditions still to be met	<u>0</u>	<u>0</u>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
<b>Donation - DVD for Firebrigade - Angus fire</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	2,200	0
Conditions met	2,200	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Donation aids orphans</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	5,000	0
Conditions met	5,000	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Development Bank South Africa - LED</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	206,000	0
Conditions met	206,000	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Boland Rugby union - Boland Park Stadium</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	50,000	0
Conditions met	50,000	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Unicity Cape Town - Community kids</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	40,000	0
Conditions met	25,663	0
Conditions still to be met	<u>14,337</u>	<u>0</u>
<b>National Department of Local Government - Drought relief</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	100,000	0
Conditions met	0	0
Conditions still to be met	<u>100,000</u>	<u>0</u>
<b>Systems Improvement Grant</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	100,000	0
Conditions met	12,231	0
Conditions still to be met	<u>87,769</u>	<u>0</u>
<b>Integrated National Electrification Programme</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	1,240,000	0
Conditions met	765,000	0
Conditions still to be met	<u>475,000</u>	<u>0</u>
<b>Municipal Infrastructure Program - 2004/2005</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	5,411,304	0
Conditions met	5,387,619	0
Conditions still to be met	<u>23,685</u>	<u>0</u>
<b>Municipal Infrastructure Program - 2005/2006</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	3,202,260	0
Conditions met	0	0
Conditions still to be met	<u>3,202,260</u>	<u>0</u>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
<b>Zweletemba Poverty alleviation (CMIP)</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	2,193,599	0
Conditions met	2,193,599	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Stettynskloof dam - C02 Rehabilitation (CMIP)</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	669,873	0
Conditions met	669,873	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Upgrading Bokriver Pipeline (CMIP)</b>		
Balance unspent at beginning of year	0	0
Current Year receipts included in Note 8	2,634,572	0
Conditions met	2,634,572	0
Conditions still to be met	<u>0</u>	<u>0</u>
<b>Total Grants Unutilised (refer to Note 8)</b>	<b>7,265,355</b>	<b>7,997,007</b>

**BREED VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
<b>18. (continue)</b>		
<b>Reconciliation of grants and subsidies</b>		
Balance unspent at beginning of the year	7,997,007	1,502,600
Total Government receipts	40,364,267	30,039,365
Capital assets donated by Governments	5,498,044	0
Other capital receipts	2,200	0
Other receipts	262,712	438,148
Conditions met - capital grants	-25,671,614	
Conditions met - operating account	-21,076,238	-12,551,341
Conditions met - former trustfunds	0	-5,803,511
Conditions met - Housing Projects	0	-5,308,225
Conditions met - other capital jobs	0	-2,440,772
Debtor created	610,803	0
From other debtors	-3,136,057	0
Adjustments	0	1,333,173
Fefunded	-810,382	0
Written-off against operating account	2,525,659	0
Over-expenditure	-622	0
Included in Other Debtors	699,576	787,570
Balance at year end - Conditions still to be met - refer to Note 8	<b>7,265,355</b>	<b>7,997,007</b>
<b>19. OTHER INCOME</b>	<b>R</b>	<b>R</b>
Building plan fees	957,893	507,968
Burial fees	294,875	277,060
Connection fees	501,348	413,750
Fire fighting charges	283,739	319,708
Garden refuse special removals	372,682	352,115
Handling charges	567,073	456,699
Land sales	741,142	0
Reconnection fees	763,220	1,175,256
Royalties	569,773	332,548
Selling of Powder milk	1,093,250	975,583
Recovery of expenditure	78,636	240,095
Entrance fees	221,422	183,291
Interest car loans, housing loans, Sundry and township development	674,918	667,310
Sundry Income	2,090,729	2,394,993
<b>Total Other Income</b>	<b>9,210,700</b>	<b>8,296,376</b>
<b>20. EMPLOYEE RELATED COSTS</b>		
Employee related costs - Salaries and Wages	67,414,904	61,399,429
Employee related costs - Social Contributions	14,749,454	13,796,180
Less:Employee costs capitalised to Property, Plant and Equipment	-337,825	-246,636
Less:Employee costs included in other expenses	-4,314,240	-3,524,718
<b>Total Employee Related Costs</b>	<b>77,512,293</b>	<b>71,424,255</b>



**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

<b>20. EMPLOYEE RELATED COSTS (continued)</b>	<b>2005</b>	<b>2004</b>
	<b>R</b>	<b>R</b>
<b>Remuneration of the Municipal Manager</b>		
Annual Remuneration	525,946	504,196
Performance Bonus	70,000	0
Car Allowance	167,940	167,940
<b>Total</b>	<b>763,886</b>	<b>672,136</b>
<b>Remuneration of the Chief Finance Officer</b>		
Annual Remuneration	415,472	377,110
Performance Bonus	56,000	67,500
Car Allowance	90,508	90,509
<b>Total</b>	<b>561,980</b>	<b>535,119</b>
<b>Remuneration of other Executive Directors (Technical Services, Corporate Services and Community Services)</b>		
Annual Remuneration	1,257,988	1,241,431
Performance Bonus	168,000	0
Car Allowance	259,952	259,952
<b>Total</b>	<b>1,685,940</b>	<b>1,501,383</b>
<b>21. REMUNERATION OF COUNCILLORS</b>	<b>2005</b>	<b>2004</b>
	<b>R</b>	<b>R</b>
Executive Mayor	315,637	307,744
Deputy Executive Mayor	260,493	254,568
Speaker	260,493	254,568
Mayoral Committee Members	1,480,249	1,450,121
Councillors	1,915,660	1,884,244
Councillors Pension Contribution	405,410	395,073
Councillors Medical Aid Contribution	144,926	163,464
<b>Total Councillor Remuneration</b>	<b>4,782,868</b>	<b>4,709,782</b>

**In-kind Benefits**

The Executive Mayor , Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of Council.

The Executive Mayor has use of a Council owned vehicle for official duties.

**BREED VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	<b>2005</b>	<b>2004</b>
	<b>R</b>	<b>R</b>
<b>22. BAD DEBTS</b>		
Bad debts written off debited to Provision for doubtful debtors	27,896,443	31,963,647
Bad debts written off debited to Housing development fund	3,098,042	6,639,613
<b>Total bad debts written off</b>	<b>30,994,485</b>	<b>38,603,260</b>
<b>23. INTEREST ON EXTERNAL BORROWINGS</b>		
External loans	11,136,979	5,939,531
Bank overdrafts	0	200
<b>Total Interest on External Borrowings</b>	<b>11,136,979</b>	<b>5,939,731</b>
<b>24. BULK PURCHASES</b>		
Electricity	46,484,284	43,188,026
Water	641,389	585,792
<b>Total Bulk Purchases</b>	<b>47,125,673</b>	<b>43,773,818</b>
<b>25. GRANTS AND SUBSIDIES PAID</b>		
Grants paid to Worcester Bowling Club	11,000	12,000
Grants paid to South Africa Arts Association	21,600	21,600
Grants paid to Boland u/13 Rugby team	0	4,000
Grants paid in respect of Zweletemba Arts and Culture Festival	0	16,956
Grants paid to Worcester Association for the Physically Disabled	0	46,000
Grants paid to M A Opperman in respect of Exchange Program: Camp America	0	2,000
Grants paid to Riverside Golfclub	16,573	16,970
Grants paid to Western Province Schools Shooting association	5,000	0
Worcester Senior Secondary School	2,000	0
Funeral late Z Bantom	850	0
Siyadlala Mass Participation	2,000	0
Van Cutsem School	2,000	0
Breede Vallei Dichters	1,000	0
Rental Boland Park Worcester USSASA Primary schools	1,481	0
Cape Peninsula University of Technology	1,250	0
Goudini High school	15,000	0
<b>Total Grants and Subsidies</b>	<b>79,754</b>	<b>119,526</b>
<b>26. CONTRIBUTIONS TO (FROM) PROVISIONS</b>		
Bad debts	15,812,677	14,810,000
Leave Payment	3,848,241	818,660
Alien Vegetation	0	0
Rehabilitation Landfill site	0	0
Obsolete Inventory	108,392	
<b>Total Contributions to (from) Provisions</b>	<b>19,769,310</b>	<b>15,628,660</b>

# BREEDE VALLEY MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

	2005 R	2004 R
<b>27. CASH GENERATED BY OPERATIONS</b>		
Net Surplus for the year	16,613,353	34,684,319
Adjustment for:-		
Appropriations	2,525,659	-7,963,498
Depreciation	12,622,656	8,736,319
Gain on disposal of property plant and equipment	-245,730	0
Contribution to bad debt provision	15,812,677	14,810,000
Contribution to Leave Payment Provision	3,848,241	818,660
Contribution Obsolete Inventory	108,392	0
Grants to operating account	-21,076,237	0
Investment Income	-5,768,525	-4,645,478
Interest paid	11,136,979	5,939,731
	<b>35,577,465</b>	<b>52,380,053</b>
<b>Non-Operating Transactions</b>		
Non-operating Income	7,842	7,588,872
Non-operating Expenditure	-25,672,236	-19,876,815
<b>Operating Surplus before working capital changes:</b>	<b>9,913,071</b>	<b>40,092,110</b>
Decrease in inventories	-155,144	53,474
Increase in consumer debtors	-11,848,847	-9,695,413
Decrease in other debtors	1,108,985	1,234,467
Grants received	39,816,596	1,288,596
Increase in creditors	-4,862,421	6,831,698
<b>Cash generated by operations</b>	<b>33,972,240</b>	<b>39,804,932</b>

## 28. CASH AND CASH EQUIVALENTS

Balance at the end of the year	291,823	5,002,811
Balance at the beginning of the year	5,002,811	2,517,587
<b>Net Increase(decrease) in cash and cash equivalents</b>	<b>-4,710,988</b>	<b>2,485,224</b>

## 29. EXTERNAL LOANS RECONCILIATIONS

Balance unspent loans beginning of the year	1,283,546	
External loans raised	16,977,847	20,869,085
Used to finance property, plant and equipment	-20,042,046	-19,585,539
Sub-total	-1,780,653	1,283,546
Cash set aside for the repayment of loans	17,302,588	10,498,947
Cash invested for the repayment of external loans	15,521,935	11,782,493

External loans have been utilised in accordance with the Municipal Finance Management Act.  
Sufficient cash has been set aside to ensure that external loans can be paid on redemption date.

## 30. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFULL EXPENDITURE DISALLOWED

### Unauthorised expenditure

Reconciliation of unauthorised expenditure	0	0
Opening balance	0	0
Unauthorised expenditure current year	0	0
Approved by Council	0	0
Transferred to Statement of Financial Performance - authorised losses	0	0
Transfer to receivables for recovery	0	0
Closing balance	<b>0</b>	<b>0</b>

Incident	Disciplinary steps/criminal proceedings
None	None

# BREEDE VALLEY MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

(Note 30.continue)

	2005 R	2004 R
<b><u>Irregular, fruitless and wasteful expenditure</u></b>		
Reconciliation of fruitless and wasteful expenditure	0	0
Opening balance	0	0
Fruitless and wasteful expenditure current year	0	0
Transfer to Statement of Financial Performance	0	0
Transfer to receivables for recovery	0	0
Closing balance	<u>0</u>	<u>0</u>

Incident	Disciplinary steps/criminal proceedings
None	None

<b>Total unauthorised, fruitless and wasteful expenditure disallowed</b>	<u>0</u>	<u>0</u>
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### 31. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

#### **Contributions to SALGA Western Cape**

Opening balance	0	0
Council Subscriptions	193,241	167,908
Amount paid - current year	193,241	167,908
Amount paid - previous year	0	0
<b>Balance unpaid (included in creditors)</b>	<u>-</u>	<u>-</u>

#### **Audit fees**

Opening balance	0	0
Current year audit fees	346,085	535,155
Amount paid - current year	346,085	535,155
Amount paid - previous year	0	0
<b>Balance unpaid (included in creditors)</b>	<u>-</u>	<u>-</u>

No balance is unpaid and no interim audit has been conducted before year end

#### **VAT**

The net V.A.T outputs are reflected in the V.A.T returns. All V.A.T returns have been submitted by due dates throughout the year

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

(Note 31.continue)

	<b>2005</b>	<b>2004</b>
<b><u>PAYE and UIF</u></b>		
Opening balance	957,473	728,176
Current year roll deductions	11,133,316	10,688,263
Amount paid - current year	11,123,489	9,730,790
Amount paid - previous year	957,473	728,176
<b>Balance unpaid (included in creditors)</b>	<b>9,827</b>	<b>957,473</b>

**Pension and Medical Aid Deductions**

Opening balance	0	0
Current year roll deductions and Council Contributions	21,922,780	20,443,819
Amount paid - current year	21,766,953	20,443,819
Amount paid - previous year	0	0
<b>Balance unpaid (included in creditors)</b>	<b>155,827</b>	<b>0</b>

**Councillor's arrear consumer accounts**

The following Councillors had accounts outstanding for more than 90 days as at:-

**30th June 2004**

	<b><u>Total</u></b>	<b><u>Outstanding less than 90 days</u></b>	<b><u>Outstanding more than 90 days</u></b>
S J F Marais	10,333	3,066	7,267
S Goedeman	8,835	955	7,880
A T Nyembe	591	55	536
F Speelman	399	367	32
E H Eloff	4,089	0	4,089
CF & C Wilskut	34,553	6,606	27,947
E Wehr	611	0	611
V M Moleleki	329	329	0
W T Curran	7,067	2,058	5,009
L & FRL Richards	14,872	7,049	7,823
A A Dikilili	8,717	0	8,717
<b>Total Councillor Arrear Consumer Accounts</b>	<b>90,396</b>	<b>20,485</b>	<b>69,911</b>

**30th June 2005**

	<b><u>Total</u></b>	<b><u>Outstanding less than 90 days</u></b>	<b><u>Outstanding more than 90 days</u></b>
F Speelman	362	362	0
P Smith	157	157	0
MD/E Jordaan	10	10	0
CF & C Wilskut	61,816	3,003	58,813
S Goedeman	1,566	1,566	0
RY Cyster	5,724	0	5,724
WT Curran	10,090	2,488	7,602
L & FRL Richards	17,117	429	16,688
<b>Total Councillor Arrear Consumer Accounts</b>	<b>96,843</b>	<b>8,016</b>	<b>88,827</b>

**BREEDE VALLEY MUNICIPALITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

(Note 31.continue)

During the year the following Councillors had accounts outstanding for more than 90 days

	<u>Highest Amount Outstanding</u>	<u>Ageing</u>
<b>30th June 2004</b>		
R Van Wyk	1,846	+ 90 Days
G H Sibeko	2,563	+ 90 Days
	<u>4,409</u>	
<b>30th June 2005</b>		
CF & C Wilskut	58,813	+ 90 Days
RY Cyster	5,724	+ 90 Days
WT Curran	7,602	+ 90 Days
L & FRL Richards	16,688	+ 90 Days
	<u>88,827</u>	

# BREEDE VALLEY MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

### 32. CAPITAL COMMITMENTS

2005

2004

Commitments in respect of capital expenditure:

- Approved and contracted for	5,590,274	8,132,183
Infrastructure	4,640,643	7,244,088
Community	949,631	888,095
Heritage	0	0
Other	0	0
Housing Development Fund	0	0
Investment Properties	0	0
- Approved but not yet contracted for	0	0
Infrastructure	0	0
Community	0	0
Heritage	0	0
Other	0	0
Housing Development Fund	0	0
Investment Properties	0	0
<b>Total</b>	<b>5,590,274</b>	<b>8,132,183</b>

This Expenditure will be financed from:

- External loans	1,714,703	1,031,794
- Capital Replacement Reserve	0	55,919
- Government Grants	3,875,571	7,044,470
- Internal Cash	0	0
- District Council Grants	0	0
- Contributions by the Public	0	0
<b>Total</b>	<b>5,590,274</b>	<b>8,132,183</b>

### 33. RETIREMENT BENEFIT CONTRIBUTION

All employees are members of one of the following 5 Pension Funds:

Cape Joint Retirement Fund; Cape Joint Pension Fund; Provident Fund for Joint Local Government; SALA Pension Fund; SAMWU National Provident Fund; NFMW Retirement Fund.

An amount of R 8 005 376 was contributed by Council in respect of employees retirement funding.

This contributions have been expensed.

Councillors who elected so are members of the Municipal Councillors Pension Fund.

An amount of R 405 411 was contributed by Council in respect of Councillors retirement funding.

This contributions have been expensed.

The last actuarial valuation of the Cape Joint Pension Fund was performed on 30/06/2004.

The valuator was satisfied that the financial position of the Fund is sound.

The last actuarial valuation of the Cape Joint Retirement Fund was performed on 30/06/2004.

The valuator was satisfied that the financial position of the Fund is sound.

The last actuarial valuation of the NFMW was done on 30 June 2004

The actuarial valuations of the Provident fund for joint local government, SALA Pension fund, SAMWU National Provident fund, were not available.

The Municipal Councillors Pension Fund stated in their circular 1/1995 that the actuary regards the financial position of the Fund as sound.

## BREEDE VALLEY MUNICIPALITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

34. CONTINGENT LIABILITY	2005	2004
Guarentee Eskom (ABSA)	<u>19,700</u>	<u>19,700</u>

### 35. CONTRACTUAL OBLIGATIONS

Guarantees by Council in respect of Housing Loans for Officials	<u>1,646,477</u>	<u>1,713,531</u>
The Security shortfall on Pension funds resignation benefits amounts to R 11543.00 (Mainly as result of SAMWU Housing scheme)		

### 36. IN-KIND DONATIONS

No In-kind donations have been received by the Municipality during the 2003/2004 Financial year.

### 37. CHANGES IN ACCOUNTING POLICIES

Where necessary, comparative figures have been adjusted to conform with Generally Recognized Accounting Practice for Municipalities. In particular, the comparatives have been adjusted or extended to take into account the requirements of the new standards of Generally Accepted Municipal Accounting Practice.

During the year the accounting policy with regard to capital from the Capital Replacement Reserve was changed with specific reference to the amounts utilised in the CRR to purchase PPE. Previously the CRR was reduced and the FDR(CRR) credited. Due to changes in the prescribed treatment from National Treasury in the specimen AFS dated 23 June 2005, an adjustment was also made in respect of the previous year in accordance with this directive.

The comparative amounts have been appropriately restated. The effect of this change in accounting policy is as follows:

	2005	2004
Property Plant and equipment purchased (funded from CRR)	<u>0</u>	<u>6,322,564</u>
	<u>0</u>	<u>6,322,564</u>



# **APPENDIX A**

## **BREED VALLEY MUNICIPALITY SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2005**

EXTERNAL LOANS	Loan Number	Redeemable	Balance as at 30 /06/2004	Received during period	Redeemed written off during period	Balance as at 30/06/2005	Carrying value of Property, Plant and Equipment
			R	R	R	R	
<b>LOCAL REGISTERED STOCK</b>							
<b>Issued</b>							
1979 @ 9.45%		31/12/2004	2,500,000		2,500,000	0	
ABSA		30/06/2009	23,411,709			23 411 709	}
<b>Total long-term loans</b>			<b>25,911,709</b>	<b>0</b>	<b>2,500,000</b>	<b>23 411 709</b>	<b>13,895,721</b>
<b>ANNUITY LOANS</b>							
I.F.C.L.: @ 09.70% (T/R)		31/12/2004	5,104		5,104	0	}
I.F.C.L.: @ 09.70% (T/R)		31/12/2004	10,207		10,207	0	}
I.F.C.L.: @ 09.75% (T/R)		31/12/2004	20,491		20,491	0	}
P.M.D.M.: @ 09.70% (T/R)		31/12/2004	2,552		2,552	0	}
DBSA: @13.75% (T/R)		30/06/2014	53,055		53,055	0	}
DBSA: @10.05% (T/R)		31/12/2005	2,014		2,014	0	}
DBSA: @11.25% (T/R)		30/06/2006	4,919		4,919	0	}
DBSA: @17.40% (D/D)		31/12/2016	257,470		257,470	0	}
DBSA: @15.88% (D/D)		30/06/2009	302,466		302,466	0	}
DBSA: @ 11.00%		31/03/2014	7,302,814		430,815	6 871 999	4,510,773
DBSA: @ 12.00%		31/03/2017	3,007,503		104,922	2 902 581	5,908,354
DBSA: @ 12.00%		31/03/2017	6,984,473		243,664	6 740 809	1,469,255
DBSA: @10.40%		31/03/2009	2,848,132		-	2 848 132	4,088,435
DBSA: @10.55%		31/03/2014	18,020,953	1,977,847.00	-	19 998 800	2,412,745
DBSA: @10.891%		31/03/2015		15,000,000.00	-	15 000 000	20,469,523
<b>Total Annuity loans</b>			<b>38,822,153</b>	<b>16 977 847</b>	<b>1,437,679</b>	<b>54 362 321</b>	<b>14,933,551</b>
<b>TOTAL EXTERNAL LOANS</b>			<b>64,733,862</b>	<b>16 977 847</b>	<b>3,937,679</b>	<b>77 774 030</b>	<b>53,792,635</b>
							<b>67,688,356</b>

**APPENDIX B**

**BREEDE VALLEY MUNICIPALITY: ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2005**

Reclassification of Assets			Cost/Revaluation					Accumulated Depreciation					
	Gamap Asset Classification 30/06/2004	Closing Balance 30/06/2004	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Carrying Value 30/06/2005	Approved Amended Budget 2004/2005
INFRASTRUCTURE													
Access control				10,511			10,511		6		6	10,505	10,520
Bus terminals	Roads and Streets	40,409	40,409	1,804,591			1,845,000		25,255		25,255	1,819,745	1,845,000
Car parks	Roads and Streets	660,000	660,000				660,000	660,000			660,000		
Fencing	Roads and Streets/Electricity Peak L	461,806	461,806	28,356			490,162		155,852		155,852	334,310	28,370
Load control equipment				147,158			147,158		20		20	147,138	
Mains - electrical	Electricity Mains	11,287,089	11,287,089	328,354			11,615,443	2,521,903	564,399		3,086,302	8,529,141	
Meters - electrical	Electricity Peak Load Equipment	79,691	79,691	489,445			569,136		4,124		4,124	565,012	
Meters - water				933,160			933,160		19,735		19,735	913,425	
Motorways	Roads and Streets	52,821,505	52,821,505	9,447,724			62,269,229	28,728,625	8,105,754		36,834,379	25,434,850	
Outfall sewers	Sewerage Mains and Purification	103,000	103,000	1,999,994			2,102,994	103,000	12,603		115,603	1,987,391	
Paving	Roads and Streets	1,862,018	1,862,018	1,664,542			3,526,560	-118,401	1,612,666		1,494,265	2,032,295	1,300,000
Power stations				550,829			550,829		50		50	550,779	
Pump stations	Sewerage Mains and Purification	27,100	27,100	37,140			64,240	18,971	908		19,879	44,361	
Purification works	Sewerage Mains and Purification	6,466,108	6,466,108				6,466,108	2,935,522	242,781		3,178,303	3,287,805	
Other roads				8,858,263	1,587,400		10,445,663		74,377		74,377	10,371,286	14,276,551
Sewers	Sewerage Mains and Purification	960,454	960,454	4,287,380	743,320		5,991,154		77,491		5,913,663	9,685,000	
Sewerage pumps	Sewerage Mains and Purification	33,064,684	33,064,684				33,064,684	23,158,343	653,902		23,812,245	9,252,439	37,150
Street lighting	Roads and Streets	1,878,403	1,878,403	133,475			2,011,878	1,677,050	13,904		1,690,954	320,924	716,730
Supply/reticulation-electricity	Electricity Peak Load Equipment	30,354,804	30,354,804	4,942,515	3,078,727		38,376,046	13,166,329	1,806,572		14,972,901	23,403,145	15,344,000
Supply/reticulation-water	Water Mains and Purification	12,429,178	12,429,178	3,779,966			16,209,144	9,782,120	258,726		10,040,846	6,168,298	17,294,495
Stormwater drainage	Roads and Streets	2,735,636	2,735,636	738,129	237,076		3,710,841		138,035		138,035	3,572,806	1,865,000
Reservoirs & tanks	Water Reservoirs	41,062,143	41,062,143				41,062,143	38,507,780	213,817		38,721,597	2,340,546	
Traffic lights	Roads and Streets	402,853	402,853				402,853		20,143		20,143	382,710	
		196,696,881	196,696,881	40,181,532	5,646,523		242,524,936	121,141,242	14,001,120		135,142,362	107,382,574	62,402,816
COMMUNITY													
Bowling greens	Recreation Grounds	504,000	504,000				504,000	427,000	7,700		434,700	69,300	
Cemeteries	Buildings	954,529	954,529	248,906	2,056,332		3,259,767	341,038	29,040		370,078	2,889,689	2,307,000
Community centres	Civic Buildings/Buildings	6,165,917	6,165,917		190,270		6,356,187	4,192,855	115,292		4,308,147	2,048,040	1,372,302
Fire stations	Buildings	3,739,681	3,739,681				3,739,681	1,908,653	111,589		2,020,242	1,719,439	
Floodlighting	Electricity Mains	270,748	270,748	711,720			982,468		24,098		24,098	958,370	
Golf courses	Recreation Grounds	1,548,000	1,548,000				1,548,000	1,350,500	19,750		1,370,250	177,750	
Clinics/hospitals	Civic Buildings	4,366,400	4,366,400				4,366,400	2,964,733	48,333		3,013,066	1,353,334	
Housing Schemes				111,345	1,824,197		1,935,542		10		10	1,935,532	26,052,384
Indoor sports				837,996			837,996		13,565		13,565	824,431	
Jukskei pitches	Recreation Grounds	705,000	705,000				705,000				705,000	0	
Lakes and dams					1,689,369		1,689,369					1,689,369	2,726,825
Libraries	Libraries	9,202,000	9,202,000				9,202,000	5,963,246	220,392		6,183,638	3,018,362	
Municipal buildings	Buildings/Civic Buildings	24,257,830	24,257,830	2,018,000			26,275,830	21,289,093	2,302,358		23,591,451	2,684,379	
Municipal houses	Housing Rental Stock	61,204,330	61,204,330	512,000			61,716,330	47,197,600	1,611,032		48,808,632	12,907,698	
Museum/art galleries	Art Galleries/Buildings	1,236,000	1,236,000				1,236,000	846,000			846,000	390,000	
Office buildings	Civic Buildings/Buildings	24,967,666	24,967,666	2,319,403			27,287,069	15,394,149	460,123		15,854,272	11,432,797	2,600,000
Outdoor sports	Recreation Grounds/Buildings	5,366,255	5,366,255				5,366,255	3,580,999	143,463		3,724,462	1,641,793	1,400,000
Parks	Buildings	1,210,482	1,210,482	360,141			1,570,623		60,557		60,557	1,510,066	
Public conveniences	Buildings	1,086,181	1,086,181				1,086,181	575,240	32,644		607,884	478,297	
Recreation centres	Buildings/Civic Buildings	3,256,550	3,256,550				3,256,550	2,915,331	38,237		2,953,568	302,982	
Stadiums	Buildings	2,369,600	2,369,600	125,340			2,494,940	789,866	78,998		868,864	1,626,076	
Swimming pools	Recreation Grounds	6,664,453	6,664,453	2,071,000			8,735,453	6,042,100	2,102,118		8,144,218	591,235	
Tennis courts	Recreation Grounds	254,000	254,000				254,000	213,999	10,000		223,999	30,001	
Civic theatres	Buildings	360,000	360,000				360,000	360,000			360,000	0	
Workshop	Buildings	1,059,750	1,059,750	430,000			1,489,750	1,007,790	435,773		1,443,563	46,187	
Total carried forward		160,749,372	160,749,372	9,745,851	5,760,168		176,255,391	118,065,192	7,865,072		125,930,264	50,325,127	36,458,511

**APPENDIX B (continued)**

**BREEDE VALLEY MUNICIPALITY: ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2005**

Total brought forward		160,749,372		9,745,851	5,760,168	0	176,255,391	118,065,192	7,865,072	125,930,264	50,325,127	36,458,511
OTHER												
Air conditioners	Equipment	87,850	87,850				87,850	87,850		87,850	0	740,000
Bulk containers	Bins and Containers	127,168	127,168				127,168	0	12,717	12,717	114,451	
Computer hardware	Computer Equipment	1,369,749	1,369,749	261,560			1,631,309	1,228,852	44,073	1,272,925	358,384	266,640
Compactor - landfill	Motor Vehicles/Equipment	359,000	359,000				359,000	30,793	65,641	96,434	262,566	
Radio equipment	Equipment	22,140	22,140				22,140	13,761	2,793	16,554	5,586	
Fire equipment				177,192			177,192		4,191	4,191	173,001	201,010
General plant	Motor Vehicles/Emergency Equipmei	842,810	842,810	183,440			1,026,250	213,591	132,576	346,167	680,083	3,005,340
Hostels - public	Housing Rental Stock/Buildings	12,470,313	12,470,313				12,470,313	11,310,346	103,477	11,413,823	1,056,490	
Loader- front - end	Motor Vehicles	803,598	803,598				803,598	564,833	53,979	618,812	184,786	
Miscellaneous furniture	Furniture and Fittings	83,571	83,571	132,302			215,873	16,714	18,134	34,848	181,025	132,320
Office machines	Emergency Equipment/Furniture and	3,674,216	3,674,216	50,756			3,724,972	625,919	711,391	1,337,310	2,387,662	50,770
Other land	Parks and Gardens/Land	19,399,560	19,399,560	815,000			20,214,560	11,592,930	1,224,834	12,817,764	7,396,796	
Tipper	Motor Vehicles	700,192	700,192				700,192	118,106	58,209	176,315	523,877	
Tip sites	Buildings	1,388,299	1,388,299	2,080,000			3,468,299	160,000		160,000	3,308,299	2,080,000
Town planning	Roads and Streets	500,519	500,519				500,519	500,519		500,519	0	
Trailers	Motor Vehicles	318,098	318,098	25,080			343,178	243,820	10,625	254,445	88,733	25,100
Vacant land	Buildings	348,000	348,000				348,000	141,741	11,600	153,341	194,659	
Vehicles	Motor Vehicles	2,075,922	2,075,922	222,674		112,475	2,186,121	683,232	311,192	112,475	881,949	1,304,172
Busses	Motor Vehicles	172,552	172,552			54,501	118,051	137,366	7,870	54,501	90,735	27,316
Compressors	Equipment	88,903	88,903				88,903	88,903			88,903	0
Compactor truck	Buildings/Refuse Tankers	1,746,919	1,746,919				1,746,919	470,064	191,005		661,069	1,085,850
Motor cycles	Motor Vehicles	42,919	42,919				42,919	42,919			42,919	0
Fire engines	Fire Engines/Motor Vehicles	475,760	475,760				475,760	286,121	23,788		309,909	165,851
Graders	Motor Vehicles	819,308	819,308				819,308	706,449	37,620		744,069	75,239
Lawnmowers	Equipment/Motor Vehicles	59,348	59,348	73,120			132,468	33,549	24,708		58,257	74,211
Roller-mechanic	Motor Vehicles	19,757	19,757				19,757	19,756			19,756	1
Street sweeper				13,317			13,317		7		7	13,310
Trucks/bakkies	Motor Vehicles	7,019,870	7,019,870	491,097		275,650	7,235,317	5,269,197	401,998	275,650	5,395,545	1,839,772
Tractors	Motor Vehicles/Equipment	2,347,427	2,347,427			187,754	2,159,673	1,816,206	71,524	187,754	1,699,976	459,697
		57,363,768	57,363,768	2,445,538	2,080,000	630,380	61,258,926	36,403,537	3,523,952	630,380	39,297,109	21,961,817
TOTAL		414,810,021	414,810,021	52,372,921	13,486,691	630,380	480,039,253 0	275,609,971	25,390,144	630,380	300,369,735	179,669,518
												106,186,937

\*Note 1

<b>COST/REVALUATION</b>	
Additions is made up as follows:	<b>52,372,921</b>
Actual Capital Expenses	35,609,218
Adjustments: Assets previously left out	16,804,112
Work in progress previous year	-40,409

\*Note 2

<b>ACCUMULATED DEPRECIATION</b>	
Additions is made up as follows:	<b>25,390,144</b>
Depreciation for the year	12,622,656
Adjustments: Assets previously left out	12,767,488

\*Note 3

<b>COST/REVALUATION</b>	
<b>RECONCILIATION OPENING BALANCES</b>	
INFRASTRUCTURE ASSETS:	
Opening Balance: Appendix B	<b>196,696,891</b>
Opening Balance: Main Ledger	197,008,791
Adjustments: Conversion GAMAP	-968,680
Adjustments: Conversion GAMAP	616,341
Work in progress previous year	40,409
COMMUNITY ASSETS:	
Opening Balance: Appendix B	<b>160,749,372</b>
Opening Balance: Main Ledger	63,757,195
Housing	70,561,006
Adjustments: Conversion GAMAP	-31,030,218
Adjustments: Conversion GAMAP	57,461,389
OTHER ASSETS:	
Opening Balance: Appendix B	<b>57,363,768</b>
Opening Balance: Main Ledger	153,613,626
Housing	-70,561,006
Adjustments: Conversion GAMAP	-57,416,983
Adjustments: Conversion GAMAP	31,728,131
<b>TOTAL:</b>	<b>414,810,021</b>

<b>ACCUMULATED DEPRECIATION</b>	
<b>RECONCILIATION OPENING BALANCES</b>	
INFRASTRUCTURE ASSETS:	
Opening Balance: Appendix B	<b>121,141,242</b>
Opening Balance: Main Ledger	121,822,791
Adjustments: Conversion GAMAP	-500,519
Adjustments: Conversion GAMAP	18,971
COMMUNITY ASSETS:	
Opening Balance: Appendix B	<b>118,065,192</b>
Opening Balance: Main Ledger	49,945,500
Housing	56,349,897
Adjustments: Conversion GAMAP	-22,968,067
Adjustments: Conversion GAMAP	34,737,862
OTHER ASSETS:	
Opening Balance: Appendix B	<b>36,403,537</b>
Opening Balance: Main Ledger	104,041,680
Housing	-56,349,897
Adjustments: Conversion GAMAP	-34,756,833
Adjustments: Conversion GAMAP	23,468,586
<b>TOTAL:</b>	<b>275,609,971</b>

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**APPENDIX C**

**BREED VALLEY MUNICIPALITY: SEGMENTAL ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2005**

	Cost					Accumulated Depreciation				Carrying Value 30.6.2005
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Executive & Council	1,355,920	205,351			1,561,271	1,215,023	37,544		1,252,567	308,704
Finance & Administration	42,423,561	9,007,791		630,380	50,800,972	27,441,255	4,309,487	630,380	31,120,362	19,680,610
Planning and Development	0	0			-	-	-		-	-
Health	4,366,400	0			4,366,400	2,964,733	48,333		3,013,066	1,353,334
Community & Social Services	38,354,680	327,960	2,246,603		40,929,243	30,260,412	556,581		30,816,993	10,112,250
Housing	72,621,006	-1,436,655	1,824,196		73,008,547	56,349,896	1,610,731		57,960,627	15,047,920
Public Safety	5,606,048	232,482			5,838,530	2,869,116	207,969		3,077,085	2,761,445
Sport & Recreation	43,997,970	4,528,794			48,526,764	30,231,600	3,903,877		34,135,477	14,391,287
Environmental Protection	0	100,125			100,125	-	12,017		12,017	88,108
Waste Management	2,658,550	-1,116,855	2,080,000		3,621,695	26,228	12,717		38,945	3,582,750
Waste Water Management	46,760,063	7,112,854	980,396		54,853,313	28,624,572	1,247,741		29,872,313	24,981,000
Road Transport	53,924,733	21,815,112	1,587,400		77,327,245	29,109,241	9,730,155		38,839,396	38,487,849
Water	54,348,297	4,869,866	4,768,096		63,986,259	48,362,432	684,481		49,046,913	14,939,346
Electricity	48,392,793	6,726,096			55,118,889	18,155,463	3,028,511		21,183,974	33,934,915
	414,810,021	52,372,921	13,486,691	630,380	480,039,253	275,609,971	25,390,144	630,380	300,369,735	179,669,518

# APPENDIX D

## BREEDE VALLEY MUNICIPALITY : SEGMENTAL INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

2004 Actual Income R	2004 Actual Expenditure R	2004 Surplus / Deficit R		2005 Actual Income R	2005 Actual Expenditure R	2005 Surplus / Deficit R
16 344 013	30 396 908	(14 052 895)	Executive & Council	5 993 694	28 562 182	(22 568 488)
89 176 320	46 994 752	42 181 568	Finance & Administration	102 255 904	52 746 484	49 509 420
608 270	2 074 341	(1 466 071)	Planning and Development	1 738 026	3 508 726	(1 770 700)
2 053 401	7 980 928	(5 927 527)	Health	3 084 006	5 147 052	(2 063 046)
3 808 937	7 633 388	(3 824 451)	Community & Social Services	4 164 980	9 077 386	(4 912 406)
4 560 828	5 301 214	( 740 386)	Housing	7 266 902	7 973 890	( 706 988)
11 561 916	16 116 924	(4 555 008)	Public Safety	13 740 817	20 419 350	(6 678 533)
1 205 883	8 656 111	(7 450 228)	Sport & Recreation	1 705 682	9 723 345	(8 017 663)
1 210 482	2 871 505	(1 661 023)	Environmental Protection	2 004 490	4 511 870	(2 507 380)
13 189 873	10 591 291	2 598 582	Waste Management	14 477 825	12 222 670	2 255 155
18 940 949	13 287 666	5 653 283	Waste Water Management	20 873 872	16 774 558	4 099 314
12 183 020	9 141 646	3 041 374	Road Transport	15 570 061	12 277 438	3 292 623
29 012 506	21 344 759	7 667 747	Water	29 796 952	25 026 787	4 770 165
88 958 140	74 407 857	14 550 283	Electricity	97 610 871	85 666 606	11 944 265
20 600	1 351 529	(1 330 929)	Other	530 850	10 563 235	(10 032 385)
<u>292 835 138</u>	<u>258 150 819</u>	<u>34 684 319</u>	Sub Total	<u>320 814 932</u>	<u>304 201 579</u>	<u>16 613 353</u>
						0
<u>292 835 138</u>	<u>258 150 819</u>	<u>34 684 319</u>	Total	<u>320 814 932</u>	<u>304 201 579</u>	<u>16 613 353</u>

**APPENDIX E (1)**

**BREED VALLEY MUNICIPALITY:ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2005**

<b>REVENUE</b>	<b>2004/2005 Actual@</b>	<b>2004/2005 Budget @</b>	<b>2004/2005 Variance @</b>	<b>2004/2005 Variance (%)</b>	<b><u>Explanation of Significant Variances</u> <u>Variances greater than 10% versus Budget</u></b>
Property Rates	50,192,450	49,000,000	1,192,450	2	
Property Rates - Penalties imposed	1,396,882	1,500,000	-103,118	-7	
Service Charges	143,733,907	138,977,031	4,756,876	3	
Electricity Sales	88,134,253	84,817,625	3,316,628	4	
Refuse removal	14,551,249	13,795,800	755,449	5	
Sewerage fees	15,808,710	13,683,606	2,125,104	16	Industrial effluent R 540 973 more than budgeted and Residential sewerage R 720 826 more than budgeted
Water sales	25,239,695	26,680,000	-1,440,305	-5	
Infrastructure / Site Rental	5,033,532	5,116,253	-82,721	-2	
Rental of facilities and Equipment	1,258,962	858,600	400,362	47	Rental Chalets and Conference centre Nekkies more than budgeted
Interest Earned - External Investments	5,768,525	3,725,000	2,043,525	55	Capital expenditure realised later in financial year than initially anticipated with budget process
Interest Earned - Outstanding Debtors	6,728,053	6,455,000	273,053	4	
Fines	10,000,527	10,666,650	-666,123	-6	
Income for agency services	3,217,770	3,300,000	-82,230	-2	
Licences and Permits	1,883,125	1,995,600	-112,475	-6	
Operating grants and subsidies	21,076,238	18,291,578	2,784,660	15	Various grant funding received not budgeted for
Other Income	9,550,933	9,327,788	223,145	2	
Gain on disposal of PPE	245,730	245,730	0	0	
Sub-total	260,086,634	249,459,230	10,627,404	4	
Grants and subsidies capital	25,671,614	69,865,832	-44,194,218	-63	Certain housing and other projects budgeted to be funded from grants did not realise
<b>Operating revenue generated</b>	<b>285,758,248</b>	<b>319,325,062</b>	<b>-33,566,814</b>	<b>-11</b>	
Less: Income forgone - Rebates	26,247,347	24,855,000	1,392,347	6	
<b>Total direct operating revenue</b>	<b>259,510,901</b>	<b>294,470,062</b>	<b>-34,959,161</b>	<b>-12</b>	
<b>Internal Transfers</b>	<b>61,304,031</b>	<b>61,097,809</b>	<b>206,222</b>	<b>0</b>	
Internal Transfers	61,304,031	61,097,809	206,222	0	
<b>Total Operating Income</b>	<b>320,814,932</b>	<b>355,567,871</b>	<b>-34,752,939</b>	<b>-10</b>	
<b>EXPENDITURE</b>					
Employee related costs	77,512,293	77,689,721	-177,428	-0	
Remuneration of councillors	4,782,868	4,872,679	-89,811	-2	
Provision for bad debt	15,812,677	11,900,000	3,912,677	33	Additional transfer to bad debt provision
Debt collection costs	1,068,061	2,300,000	-1,231,939	-54	Debt collection costs less than budgeted due to Zader Municipal services contract not finalised
Depreciation	12,622,656	12,486,163	136,493	1	
Repairs and Maintenance	23,542,532	22,965,842	576,690	3	
Interest on External Borrowings	11,136,979	11,685,790	-548,811	-5	
Bulk Purchases	47,125,673	46,370,000	755,673	2	
Contracted Services	1,961,388	2,195,800	-234,412	-11	Security expenses higher as result of more security needed in certain areas
General Expenses - Other	43,375,788	40,634,664	2,741,124	7	
Contributions to (from) Provisions	3,956,633	884,150	3,072,483	348	Additional contribution to leave payment provision to comply with accumulated leave value
<b>Total Direct Operating expenditure</b>	<b>242,897,548</b>	<b>233,984,809</b>	<b>8,912,739</b>	<b>4</b>	
Inter departmental charges / Transfers	61,304,031	61,097,809	206,222	0	
<b>Total Operating expenditure</b>	<b>304,201,579</b>	<b>295,082,618</b>	<b>9,118,961</b>	<b>3</b>	
<b>Operating Surplus</b>	<b>16,613,353</b>	<b>60,485,253</b>	<b>-43,871,900</b>	<b>-73</b>	

**APPENDIX E (2)**

**BREED VALLEY MUNICIPALITY:ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2005**

	2004/2005 Actual@	2004/2005 Under Construction	2004/2005 Total Additions	2004/2005 Budget @	2004/2005 Variance @	2004/2005 Variance (%)	Explanation of Significant Variances Variances greater than 5% versus Budget
<b>INFRASTRUCTURE</b>							
Access control	10,511		10,511	10,520	-9	-0	
Bus terminals	1,845,000		1,845,000	1,845,000	0	0	
Car parks			0		0		
Fencing	28,356		28,356	28,370	-14	-0	
Load control equipment			0		0		
Mains - electrical			0		0		
Meters - electrical			0		0		
Meters - water			0		0		
Motorways			0		0		
Outfall sewers			0		0		
Paving	46,592		46,592	1,300,000	-1,253,408	-96	Project budgeted for not in Municipal area
Power stations			0		0		
Pump stations			0		0		
Purification works			0		0		
Other roads	10,421,759	1,587,400	12,009,159	14,276,551	-2,267,392	-16	Project by Developers not completed in financial year/Costs less than budget
Sewers	5,287,380	743,319	6,030,699	9,685,000	-3,654,301	-38	Project by Developers not completed in financial year/Costs less than budget
Sewerage pumps	37,140		37,140	37,150	-10	-0	
Street lighting	710,197		710,197	716,730	-6,533	-1	
Supply/reticulation-water	4,832,726	3,078,727	7,911,453	15,344,000	-7,432,547	-48	CMIP funding budgeted for not received/Developers proj not completed
Supply/reticulation-electricity	6,015,898		6,015,898	17,294,495	-11,278,597	-65	Project by Developers not completed in financial year
Stormwater drainage	738,129	237,077	975,206	1,865,000	-889,794	-48	Project cost less than budget
Reservoirs & tanks			0		0		
Traffic lights			0		0		
	<b>29,973,688</b>	<b>5,646,523</b>	<b>35,620,211</b>	<b>62,402,816</b>	<b>-26,782,605</b>	<b>-43</b>	
			0		0		
			0		0		
<b>COMMUNITY</b>			0		0		
Bowling greens			0		0		
Cemeteries	248,906	2,056,332	2,305,238	2,307,000	-1,762	-0	
Community centres		190,271	190,271	1,372,302	-1,182,031	-86	Projects not realised carried over to 2005/06 financial year
Fire stations			0		0		
Floodlighting			0		0		
Golf courses			0		0		
Clinics/hospitals			0		0		
Housing Schemes	111,345	1,824,196	1,935,541	26,052,384	-24,116,843	-93	Projects approved late/Contractors poor performance
Indoor sports			0		0		
Jukskei pitches			0		0		
Lakes and dams		1,689,369	1,689,369	2,726,825	-1,037,456	-38	CMIP funding budgeted for not received
Libraries			0		0		
Municipal buildings			0		0		
Municipal houses			0		0		
Museum/art galleries			0		0		
Office Buildings	2,319,403		2,319,403	2,600,000	-280,597	-11	Savings on project
Outdoor sports	1,364,103		1,364,103	1,400,000	-35,897	-3	
Parks			0		0		
Sub Total Carried Forward	<b>4,043,757</b>	<b>5,760,168</b>	<b>9,803,925</b>	<b>36,458,511</b>	<b>-26,654,586</b>	<b>-73</b>	

**APPENDIX E (2)**

**BREED VALLEY MUNICIPALITY:ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2005**

	2004/2005 Actual@	2004/2005 Under Construction	2004/2005 Total Additions	2004/2005 Budget @	2004/2005 Variance @	2004/2005 Variance (%)	Explanation of Significant Variances Variances greater than 5% versus Budget
<b>COMMUNITY</b>							
Total Brought forward	4,043,757	5,760,168	9,803,925	36,458,511	-26,654,586	-73	
Public conveniences			0		0		
Recreation centres			0		0		
Stadiums			0		0		
Swimming pools			0		0		
Tennis courts			0		0		
Civic theatres			0		0		
Workshop			0				
	4,043,757	5,760,168	9,803,925	36,458,511	-26,654,586	-73	
<b>OTHER</b>			0				
Air conditioners			0	740,000	-740,000	-100	Transferred to 2005/06 financial year
Bulk containers			0	0	0		
Computer hardware	261,560		261,560	266,640	-5,080	-2	
Compactor - landfill			0		0		
Radio equipment			0		0		
Fire equipment	177,192		177,192	201,010	-23,818	-12	Savings on purchases
General plant	157,993		157,993	3,005,340	-2,847,347	-95	Items budgeted not assets in terms of accounting policy
Hostels - public			0		0		
Loader- front - end			0		0		
Miscellaneous furniture	132,302		132,302	132,320	-18	-0	
Office machines	50,756		50,756	50,770	-14	-0	
Other land			0		0		
Tipplers			0		0		
Tip sites		2,080,000	2,080,000	2,080,000	0	0	
Town planning			0		0		
Trailers	25,080		25,080	25,100	-20	-0	
Vacant land			0		0		
Vehicles	222,674		222,674	258,010	-35,336	-14	Savings on purchases
Busses			0		0		
Compressors			0		0		
Compactor truck			0		0		
Motor cycles			0		0		
Fire engines			0		0		
Graders			0		0		
Lawnmowers	73,120		73,120	73,150	-30	-0	
Roller-mechanic			0		0		
Street sweeper			0		0		
Trucks/bakkies	491,096		491,096	493,270	-2,174	-0	
Tractors			0				
	1,591,773	2,080,000	3,671,773	7,325,610	-3,653,837	-50	
<b>TOTAL</b>	<b>35,609,218</b>	<b>13,486,691</b>	<b>49,095,909</b>	<b>106,186,937</b>	<b>-57,091,028</b>	<b>-54</b>	



**BREEDE VALLEY MUNICIPALITY**

**APPENDIX F**

**STATISTICAL INFORMATION**

			2005	2004	2003
(1)	General Statistics				
(a)	Population.	±	161 000	150 000	150 000
(b)	Valuation		R '000	R '000	R '000
	(i) Taxable				
	Land		1,284,062,135	408 676 435	398 970 000
	Improvements		2,779,661,000	1 782 879 093	1 689 110 000
	(ii) Non Taxable		0	0	0
	Land		0	0	0
	Improvements		0	0	0
	(iii) Date of Last General Valuation		2004/07/01	1996/07/01	1996/07/01
(c)	Number of properties				
	Residential		16,594	16 228	16 118
	Commercial		1,288	1 388	1 348
	Other		967	1 243	1 225
	Landelik		1,791		
(d)	Assesment Rate: Cent in the Rand		1.2363	1.6707	1.6707
(e)	Number of Employees				
	Employed		772	761	780
	Vacancies		559	75	60
(2)	Electrical Statistics				
(a)	Number of users	±	21,770	21 338	18 000
(b)	Units bought	kwH	259,554,187	265 247 422	233 513 602
(c)	Units sold	kwH	245,836,662	232 114 447	215 228 214
(d)	Units lost in distribution	kwH	13,717,525	33 132 975	18 285 388
(e)	Percentage of units lost in distribution		5.285%	12.491%	7.831%
(f)	Cost per unit bought	R	0.330245	0.258922	0.258637
(g)	Loss in distribution	R	4,530,144	8 578 856	4 729 278
(h)	Cost per unit sold	R	0.348673	0.295882	0.280610
(i)	Income per unit sold	R	0.356979	0.360594	0.330674
(3)	Water Statistics				
(a)	Number of users	±	18,985	20,049	17,000
(b)	Units supplied	Kl	12,771,000	12,662,000	14,513,000
(c)	Units sold	Kl	9,780,529	11,029,648	10,462,130
(d)	Units lost in distribution	Kl	2,990,471	1 632 352	4 050 870
(e)	Percentage of units lost in distribution		23.4161%	12.8917%	27.9120%
(f)	Cost per unit supplied	R	1.963572	1.908042	1.599595
(g)	Loss in distribution	R	5,872,005	3,114,596	6,479,751
(h)	Cost per unit sold	R	2.563949	2.190426	2.218948
(i)	Income per unit sold	R	2.441204	2.675051	2.357057
(4)	Sundry Statistics				
(a)	Area in km²		3,015	2295	2295
(b)	Previous election				
	Number of registered voters		60,625	60 625	60 625
	% poll				
(c)	Building survey:				
	(i) Building plans				
	Number passed		917	715	563
	Value passed		260,882	97,194	135,752
	(ii) Inspections performed		3,668	2,860	2,252
(d)	Housing				
	(i) Number of dwelling units		2,743	2,741	2,739
	(ii) Number of people acco	±	24,687	30,151	30,540
	(iii) Number of people on waiting list		7,451	7,291	5,834
(e)	Fire service stations		2	2	2